

Hi!

Here ya are

**From:** (b)(6)  
**Sent:** Monday, May 22, 2017 2:11 PM  
**To:** Tracy, Tom <[Tracy.Tom@epa.gov](mailto:Tracy.Tom@epa.gov)>; Deborah Swackhamer <[dswack@umn.edu](mailto:dswack@umn.edu)>  
**Subject:** RE: BOSC membership

Dear Tom and Deborah,

After careful thought and consideration, I'm writing to resign from the Executive Committee of the EPA's Board of Scientific Counselors (BOSC). I've watched with concern the events of the past few weeks related to the dismissal of more than half of the Executive Committee. My most significant concern about the events is the politically-driven nature of the decision to not renew the appointments of the Executive Committee members.

When I joined the Executive Committee of the BOSC last year, I was delighted to begin serving both the EPA and the American public by working with outstanding scientists on key environmental issues that face our nation. Also, I was pleased to see the diverse membership on the committee (both across sector and academic discipline). As I participated in conference calls and meetings, I was encouraged by the non-political nature of our group discussions and the focus on the scientific details of the issues. Yet, the politically-driven dismissal of over half of the members of the Executive Committee leaves me concerned that this focus on the science (rather than the politics) might be much less likely in the future.

I've truly enjoyed working with all of the members of the Executive Committee. In particular, I believe that both of you have provided outstanding leadership for our group. Thank you for allowing me to be a part of such an outstanding team. I wish you all the best moving forward.

Best Wishes,

(b)(6)

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(b)(6)

(Voice)

(Fax)

Email:

Web:

(b)(6)  
(b)(6)  
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(b)(6)

**From:** Deborah Swackhamer [<mailto:dswack@umn.edu>]  
**Sent:** Monday, May 8, 2017 7:34 AM

To: (b)(6); Sandra (Austin) <(b)(6)>; (b)(6); Courtney Flint  
(b)(6); Shahid Chaudhry <(b)(6)>; (b)(6);  
[Tammy.Taylor@pnnl.gov](mailto:Tammy.Taylor@pnnl.gov); (b)(6); [Gina.Solomon@calepa.ca.gov](mailto:Gina.Solomon@calepa.ca.gov); Joseph Rodricks  
(b)(6); Elizabeth A. (b)(6); Galloway Jim  
<(b)(6)>; I Leslie <(b)(6)>; (b)(6); Nance, Earthea  
<(b)(6)>; Cozzens, Susan E <(b)(6)>; (b)(6)  
Cc: Tracy, Tom <[Tracy.Tom@epa.gov](mailto:Tracy.Tom@epa.gov)>; Rodan, Bruce <[rodan.bruce@epa.gov](mailto:rodan.bruce@epa.gov)>; Kavlock, Robert  
<[kavlock.robert@epa.gov](mailto:kavlock.robert@epa.gov)>  
Subject: BOSC membership

Dear EC current and former members,

I send this as an official FACA transmission. I am sure you have seen the press reports on BOSC membership, and may have had contact with reporters. While the headlines have said some of you were "fired" or "dismissed", the facts (real, not alternative) are that 9 of you were put forward for renewal of your term (you are allowed up to 2 terms of 3 years each - those 9 have completed one 3-yr term) - and to our surprise, Mr. Pruitt's team denied the renewals. The statements coming from Pruitt's office are that he wants a clean break with Obama appointees, he wants more industry representation (regulated parties), he wants to start over with a broader pool. We were all a bit surprised, and then it was leaked to the press (see NYT, Wash Post, etc). It is important to note that 4 of you have also ended a second term, so we are losing 13 members.

I know this raises many questions, and I am doing my best to get answers for ways for the BOSC to keep moving forward and doing the job it is intended to do. I will communicate with you as soon as I have something to share.

You may (or some of you already have) gotten inquiries from the press. You of course may respond directly if you so choose; if you are uncomfortable responding you may refer them to me. I advise you not to speak to the process of how EPA manages BOSC, because those are questions that EPA staff should answer. You of course should speak to your own experience as a scientist serving BOSC.

I am sorry at this turn of events, as you all have been productive, dedicated, and constructive voices for keeping EPA science at its best. I thank each of you that are not returning for your immense contributions. I hope we get a chance to interact again in the future. In the meantime, those of us remaining will do our best to carry out the BOSC mission....

my best regards,  
Deb  
BOSC Chair

--

*Deborah L. Swackhamer, Ph.D.*

Professor Emerita, Hubert H. Humphrey School of Public Affairs <http://hhh.umn.edu>

Professor Emerita, Environmental Health Sciences <http://enhs.umn.edu>

email: (b)(6)





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Here is (b)(6) resignation.

**From:** (b)(6)

**Sent:** Wednesday, January 25, 2017 12:42 PM

**To:** Downing, Jim <[Downing.Jim@epa.gov](mailto:Downing.Jim@epa.gov)>; Liza Dawson - NIH - NIAID <[Liza.Dawson@nih.gov](mailto:Liza.Dawson@nih.gov)>

**Subject:** Resignation from HSRB

Dear Mr. Downing and Dr. Dawson,

After much consideration, I am writing to resign my position on the Environmental Protection Agency's Human Studies Review Board.

As the new President has made painfully clear, his administration does not support the mission or functions of the EPA. This is evidenced by:

- 1) the nomination of Scott Pruitt, a known EPA foe and science denier, as EPA Administrator;
- 2) the freeze on all EPA grants and contracts announced yesterday; and
- 3) the order from the transition team that EPA personnel cannot communicate with the public.

Because I strongly oppose these actions and would not want my name on the Board roster to imply my concurrence or support, I must decline to participate, effective immediately.

Accordingly, I will not participate in today's phone meeting.

Respectfully,

(b)(6)

4/14/17 OECA OD Meeting

Background:

Reform Plan to meet the combined mandates of a reduced Federal workforce, a reorganization of Executive Branch departments and agencies, the FY 2018 Budget Blueprint, and the FY 2019 budget and performance processes.

Reform Plan Framework components:

- eliminate activities,
- restructure or merge functions,
- improve organizational efficiency and effectiveness, and
- workforce management.

Action Needed:

- Examine functions and activities
  - Functions/activities that can be eliminated or significantly reduced
    - Considerations: duplicative, non-core EPA, federal role
  - Functions/activities that can be consolidated and performed by fewer FTE
    - Functions/activities that are not OECA-wide
    - Functions/activities that are OECA-wide
- Organizational efficiencies
  - Restructure to merge or relocate activities, remove silos, reduce duplication, decrease management/support needs
  - Offices that can be combined or eliminated
  - Streamline mission support: establish centers of expertise; find efficiencies in IT, contracts, financial management, budget.

<u>Division</u>	<u>Vacated VV</u>	<u>Date</u>	<u>Position</u>	
YGAA0000 ENF-2-1 Air Section	(b)(6) Environmental Engineer, GS-819-13	8/31/2017	Changed duty statement 25%, GS-13; 028/1301/819	Restructured
YGBC0000 ENF-3-3 SDW/FIFRA Section	(b)(6) Env. Protection Spec., GS-028-12	8/31/2017	Changed occupation to professional and duty location to Hawaii	Restructured
YG0C0000 ENF4-2 Env. Review Section	(b)(6) (b)(6) Env. Protection Spec., GS-028-13	8/31/2017	Changed to professional occupation with new PD, GS-13.  EPS vice: Watt changed PD at least 25%.	Restructured
OPA	Supv Public Affairs Spec., GS-1035-14	Vacant		Abolished
ORA	Administrative Spec., GS-301-11	Vacant		Abolished
YDBDD000 ORC-2-4 Water Section	(b)(6) Attorney-Adviser, GS-905-14	8/31/2017		
YDACC000 ORC-3-3 Hazardous Waste Sect. III	(b)(6) Attorney-Adviser, GS-905-15	8/31/2017		
YD000000 ORC-1 Immed Ofc.	(b)(6) Attorney-Adviser, GS-905-15	8/31/2017		
YEAB0000 SFD-7-2 CA Sect 2	(b)(6) (RPM) Env. Engineer, GS-819-13	8/31/2017		
YEAB0000 SFD-7-2 CA Sect 2	(b)(6) (RPM) Physical Scientist, GS-1301-13	8/31/2017		

YECA0000 SFD-9-2 Emergency Response Sect.	(b)(6) [REDACTED] (OSC) Env. Engineer, GS-819-13 (SF)	9/1/2017		
YAB00000 WTR-3 Tribal & State Assist Br.	(b)(6) [REDACTED] Env. Protection Assist., GS-029-7	8/31/2017		Abolished
YAB00000 WTR-3 Tribal & State Assist Br.	(b)(6) [REDACTED] Env. Protection Assist., GS-029-8	8/17/2017		Abolished

										# of Targeted Positions by Grade											
										1-4	5-8	9-11	12	13	14	15	SES	Other	Total # of Targeted Positions	Max # of Offices	# to Restructure
OARM		OARM Office/Division		Total Non-Term Employees	Retirement Eligible	VERA Eligible (does not include RE)	VISP														
CINCINNATI/OHIO		Total # All Series:		68	9	21	65														
1654-Printing Services		OARM-Cincinnati	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	3	3	3
315-Secretary		OARM-Cincinnati	2	1	1	2	2	2	2	1	1	1	1	1	1	1	1	1	1	1	1
343-Management and Program Analysis		OARM-Cincinnati (Records Management)	12	3	3	12	12	12	12	1	1	1	1	1	1	1	1	1	1	1	1
DURHAM,NORTH CAROLINA		Total # All Series:		131	11	19	111														
201-Human Resources Management		OARM-RTP	55	3	6	44	44	44	44	1	1	1	1	1	1	1	1	1	2	2	2
801-General Engineering		OARM-RTP	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
WASHINGTON/D.C.		Total # All Series:		433	93	112	407	1	5	4	13	46	54	26	0	0	0	149	93	52	52
1001-General Arts and Information		OROMIO	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
1102-Publication Analyst		OAM	96	19	24	90	90	90	90	4	13	7	7	7	7	7	7	24	16	6	6
1106-Publication Clerk and Technician		OAM	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1	1
1109-Grants Management		OGD	22	6	5	22	22	22	22	3	3	2	2	2	2	2	2	6	2	2	2
		OGD/Fellowships, IAGS and SEES Branch																			
		OGD/National Policy, Training and Compliance																2	2	2	2
		OGD/Suspension and Debarment																1	1	1	1
		OGD/Grants Management Branch																1	1	1	1
		Total 1109 Proposed:		25	1	9	25	0	0	0	3	3	3	3	1	0	0	10	6	6	6
2210-Information Technology Management		OAM										5	2	1	1			8	8	8	8
		OHR		1	2	4	4	4	4	2	1	1	1	1	1	1	1	4	2	2	2
		Total 2210 Proposed:						0	0	0	0	7	3	2	0	0	0	12	10	4	4
301-Miscellaneous Administration and Program		OROMA/OSD	21	7	7	20						1						1	1	1	1
		OROMRAPD										1						1	1	1	1
		OAM										1						1	1	1	1
		OHR (Conflict and Info. Management Specialist)		1	4	5						2	2	1	1			5	2	2	2
		Total 301 Proposed:						0	0	2	1	3	2	1	0	0	0	9	6	5	5
303-Miscellaneous Clerk and Assistant		OHR	2	2		2												1	1	1	1
306-Government Information Specialist		OAM	3	2	1	3			1									1	1	1	1
318-Secretary		OAM	2	1	1	2				2	3							3	3	3	3
		Total 318 Proposed:		2	1	2	2											2	2	2	2
326-Office Automation Clerical and Assistance		OAM					1											1	1	1	1
		OHR		1														1	1	1	1
		Total 326 Proposed:						1	1	0	0	0	0	0	0	0	0	2	2	1	1
341-Administrative Officer		OAM	2		1	2												1	1	1	1
342-Support Services Administration		OA	11	6	3	11						8	1	1				11	10	10	10
		OROMFACMD	106	21	24	99					1							6	3	2	2
		OROMRAPD										1						1	1	1	1
		OROM/OSD																3	2	2	2
		OAM										1						3	3	3	3
		OGD										1						1	1	1	1
		OHR		4	5	16						14	2	2	6	6	10	10	5	5	5
		OA	32	2	15	27						3	16	27	12	24	24	29	10	10	10
		Total 343 Proposed:						1				1	3	1	3	6	12	59	25	24	24
510-Accounting		OAM	4	1	1	4						1	3	3	4	4	4	4	2	2	2
511-Auditing		OAM	5	2	2	5						1	3	3	1	1	1	6	4	4	4
905-General Attorney		OROMFACMD	26	2	7	23												1	1	1	1
1801 - Compliance Specialist		OGD										1						1	1	1	1
Grand Total				698	121	164	643	1	5	5	14	48	55	26	0	0	0	154	98	85	85



OARM	OARM Office/Division	Grade	Employee Name	Total # of Targeted Positions
<b>CINCINNATI, OHIO</b>				
1654-Printing Services	OARM Cincinnati/Facilities Management and Services Division	13		
318-Secretary	OARM Cincinnati/Facilities Management and Services Division	9		
343-Management and Program Analysis	OARM Cincinnati (Records Management)/Information Resources Management Division	13		
<b>DURHAM, NORTH CAROLINA</b>				
201-Human Resources Management	OARM-RTTP/Human Resources Management Division/Employee Services Section	12		
801-General Engineering	OARM-RTTP/Facilities Operations Branch	14		
<b>WASHINGTON, DC</b>				
1001-General Arts and Information	OROM/IO	15		
1102-Contracting (Procurement Analyst)	OARM/Acquisition Policy and Training Service Center	13		
	OARM/Acquisition Policy and Training Service Center	13		
	OARM/Management and Support Service Center	13		
	OARM/RTTP Procurement Operations Division	13		
	OARM/IO	14		
	OARM/Acquisition Policy and Training Service Center	14		
	OARM/Acquisition Policy and Training Service Center	14		
	OARM/Acquisition Policy and Training Service Center	14		
	OARM/Management Support Service Center	14		
	OARM/RTTP Procurement Operations Division	14		
	OARM/Acquisition Policy and Training Service Center	14		
	OARM/Acquisition Policy and Training Service Center	14		
	OARM/Headquarters Procurement Ops Division	14		
	OARM/Headquarters Procurement Ops Division	14		
	OARM/Headquarters Procurement Ops Division	14		
	OARM/Headquarters Procurement Ops Division	14		
	OARM/Headquarters Procurement Ops Division	14		
	OARM/Headquarters Procurement Ops Division	14		
	OARM/Acquisition Policy and Training Service Center	14		
	OARM/Acquisition Policy and Training Service Center	14		
	OARM/IO	15		
	OARM/IO	15		
	OARM/IO	15		
	OARM/IO	15		
1106-Procurement Clerical and Technician	OARM/Policy Training and Oversight Division	15		
1109-Grants Management	OARM/Policy Training and Oversight Division	15		
	OARM/Management Support Service Center	7		
	OGD/Fellowships, IAGs and SEEs Branch	12		
	OGD/Fellowships, IAGs and SEEs Branch	12		
	OGD/Fellowships, IAGs and SEEs Branch	12		
	OGD/Fellowships, IAGs and SEEs Branch	12		
	OGD/Fellowships, IAGs and SEEs Branch	13		
	OGD/Fellowships, IAGs and SEEs Branch	14		
	OGD/National Policy, Training and Compliance Division OK	13		
	OGD/National Policy, Training and Compliance Division OK	14		
	OGD/National Policy, Training and Compliance Division OK	14		
	OGD/Suspension and Debarment OK	14		
	OGD/Grants Management Branch??	15		
2210-Information Technology Management	OARM/IO	13		
	OARM/IO	13		
	OARM/IO	13		
	OARM/IO	13		
	OARM/IO	13		
	OARM/IO	13		
	OARM/IO	14		
	OARM/IO	14		

(b)(6)



$$\frac{d}{dt} \left( \int_{\Omega} u^2 dx \right) = -2 \int_{\Omega} u \Delta u dx = 2 \int_{\Omega} |\nabla u|^2 dx \geq 0.$$

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7/21/17

#	Name	Office	Series	Grade	Separation Type	Application Date
1	(b)(6)	OROM	0301	GS-13	Optional Voluntary Retirement with VSIP	7/13/2017
2		OGD	0343	GS-14	Optional Voluntary Retirement with VSIP	7/13/2017
3		OA	0343	GS-15	<del>Resignation - VSIP Only</del>	7/13/2017
4		OARM-RTP	0801	GS-14	Optional Voluntary Retirement with VSIP	7/13/2017
5		OROM	0343	GS-15	Optional Voluntary Retirement with VSIP	7/13/2017
6		OAM	0318	GS-9	Optional Voluntary Retirement with VSIP	7/13/2017
7		OHR	0343	GS-15	Optional Voluntary Retirement with VSIP	7/13/2017
8		OROM	0343	GS-13	Optional Voluntary Retirement with VSIP	7/13/2017
9		OAM	1102	GS-15	Optional Voluntary Retirement with VSIP	7/13/2017
10		OAL	0301	GS-12	Early Retirement - (VERA with VSIP)	7/13/2017
11		OA	0343	GS-14	Early Retirement - (VERA with VSIP)	7/13/2017
12		OAM	0510	GS-14	Optional Voluntary Retirement with VSIP	7/13/2017
13		OHR	0343	GS-14	Optional Voluntary Retirement with VSIP	7/13/2017
14		OAM	1102	GS-13	Optional Voluntary Retirement with VSIP	7/13/2017
15		OA	0343	GS-13	Optional Voluntary Retirement with VSIP	7/13/2017
16		OAM	01102	GS-14	Optional Voluntary Retirement with VSIP	7/13/2017
17		OGD	0303	GS-08	Optional Voluntary Retirement with VSIP	7/13/2017
18		OHR	0326	GS-07	Optional Voluntary Retirement with VSIP	7/13/2017
19		OA	0343	GS-12	Optional Voluntary Retirement with VSIP	7/13/2017
20		OA	0342	GS-13	Optional Voluntary Retirement with VSIP	7/13/2017
21		OA	0342	GS-13	Optional Voluntary Retirement with VSIP	7/13/2017
22		OHR	0343	GS-14	Optional Voluntary Retirement with VSIP	7/14/2017
23		OAM	1102	GS-13	Optional Voluntary Retirement with VSIP	7/16/2017
24		OA	0343	GS-15	Early Retirement - (VERA with VSIP)	7/17/2017
25		OGD	1109	GS-12	Optional Voluntary Retirement with VSIP	7/17/2017
26		OAM	1102	GS-15	Optional Voluntary Retirement with VSIP	7/17/2017
27		OGD	1109	GS-14	Optional Voluntary Retirement with VSIP	7/17/2017
28		OGD	1109	GS-13	Optional Voluntary Retirement with VSIP	7/17/2017
29		OAM	1102	GS-15	Optional or Early Retirement with NO VSIP	7/20/2017
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42						

VERA/VSIP Eligibility Listing - OARM  
8/4/2017

OARM	Name	Organization	Eligibility
1	(b)(6)	OGD-Suspension	Optional Voluntary Retirement with VSIP age 64 with 43 years service
2		OAM	Optional Voluntary Retirement with VSIP age 60 with 28 years service
3		OA	Early Retirement - (VERA with VSIP) age 53 with 32 years service
4		OHR	Optional Voluntary Retirement with VSIP age 63 with 41 years service
5		OAM	Optional Voluntary Retirement with VSIP age 65 with 38 years service
6		OAM	Early Retirement - (VERA with VSIP) age 49 with 26 years service
7		OAM	Optional Voluntary Retirement with VSIP age 56 with 33 years service
8		OHR	Optional Voluntary Retirement with VSIP age 65 with 17 years service
9		OGD-Grants Mgmt	Optional Voluntary Retirement with VSIP age 61 with 39 years service
10		OROM/AOSD	Optional Voluntary Retirement with VSIP age 59 with 36 years service
11		OGD-Fellowship	Optional Voluntary Retirement with VSIP age 61 with 37 years service
12		OA	Optional Voluntary Retirement with VSIP age 65 with 22 years service
13		OA	Optional Voluntary Retirement with VSIP age 60 with 37 years service
14		OALJ	Optional Voluntary Retirement with VSIP age 60 with 29 years service
15		OAM	Optional Voluntary Retirement with VSIP age 69 with 47 years service
16		OAM	Early Retirement with NO VSIP age 52 with 28 years service
17		OAM	Optional Voluntary Retirement with VSIP age 66 with 44 years service
18		OA	Optional Voluntary Retirement with VSIP age 60 with 41 years service
19		OGD-National	Optional Voluntary Retirement with VSIP age 56 with 38 years service
20		OGD-National	Optional Voluntary Retirement with VSIP age 67 with 39 years service
21		OA	Optional Voluntary Retirement with VSIP age 61 with 40 years service
22		OAM	Optional Voluntary Retirement with VSIP age 56 with 33 years service
23		OAM	Optional Voluntary Retirement with VSIP age 61 with 37 years service
24		OHR	Optional Voluntary Retirement with VSIP age 63 with 32 years service
25		OAM	Optional Voluntary Retirement with VSIP age 59 with 37 years service
26		OA	Early Retirement - (VERA with VSIP) age 58 with 27 years service
27		OA	Optional Voluntary Retirement with VSIP age 63 with 32 years service
28		OROM/RAPD	Optional Voluntary Retirement with VSIP age 56 with 38 years service
29		OHR	Optional Voluntary Retirement with VSIP age 71 with 36 years service
30		OROM/AOSD	Optional Voluntary Retirement with VSIP age 58 with 40 years service

-127P

-127P

-127P



The Office of Administration and Resources Management is requesting approval authority for the use of Voluntary Separation Incentive Payments (VSIP) and Voluntary Early Retirement Authority (VERA) to transform its workforce by placing a renewed focus on core business services, eliminating business services with low demand, centralizing internal support in select administrative areas, and reshaping the workforce to optimize support to the agency.

OARM has 698 permanent employees. The VERA/VSIP plan targets 154 positions: 34 positions in support job series and 120 positions in programmatic series. Targeting decisions were made by senior managers based on the specific mission needs required to reshape and reposition the organization by correcting competency gaps necessary to meet federal and agency mandates. The maximum number of VERA/VSIPs to be offered is 98 as shown in the Targeted Positions Template. These offers span 20 different job series. Decisions on which employees may be authorized VERA and VSIP will be based on the employee's permanent official division, position of record, occupational series, and grade level. The estimate of the total number of employees in OARM who are expected to take early retirement is five.

OARM will focus on the following themes:

**Restructure or reduce highly graded, supervisory and non-supervisory staff positions** (GS 14 and 15) into lower graded positions that support the skills and competencies needed to meet current and emerging mission and program requirements.

- Use vacancies that become available as a result of VSIP/VERA employee separations as placement opportunities for any employees in surplus positions.
  - Rebalance the current structure and recruit at lower grade and career ladder levels.
1. OARM-Research Triangle Park proposes to eliminate a 0801 General Engineer position as the engineering duties of the organization have changed as well as a 0201 Human Resources Specialist (Training) whose functions no longer constitute a full time function at the GS-12 level.
  2. The Office of Human Resources will focus on restructuring positions to consolidate skills and realign employees to meet current and emerging mission and program requirements, including restructuring five highly graded 0343 Program Analyst Positions and reshaping the highly graded 0301 Conflict Management Specialist positions.
  3. The Office of Administrative Law Judges seeks to eliminate one 0301 Information Management Specialist position whose work can be absorbed within the organization.
  4. The Office of Resources and Operations Management will restructure one 1001 Communication Specialist Position as the work can be performed at a lower GS level.
  5. OROM has a cadre eight of highly graded 0343 – Program Analyst positions where the positions will be restructured to lower grades, of the eight positions four offers will be made (four restructured)\*.

OARM VERA/VSIP Business Case  
DRAFT – 5/25/2017

*\*In OROM – the pool for 0343 positions in FACMD does not include one GS-14. This position acts as the Committee Management Officer and is excluded because it is required by GSA and the FAC Act.*

6. The Office of Acquisition Management has four 0510-Accounting and six 0511-Auditing positions where 2 positions in each of these series will be eliminated. The remaining positions will be integrated into the operational divisions of OAM.
7. The Office of Grants and Debarment seeks to restructure high level 1109 Grant Specialist positions as follows:
  - a. Two 1109 Grant Specialist positions in the National Policy, Training and Compliance Division that are ~~that are~~ no longer functioning as Grant Specialists. These positions would be restructured to lower graded 1109 positions focusing on core business functions.
  - b. Restructuring of two 1109 Grant Specialist positions in the Fellowships, IAGs and SEEs branch to ensure the organization has the skills needed due to changing technology and mission needs. (Six targeted positions, two max offers).
  - c. Restructuring of one 1109 Grant Specialist in the Suspension and Debarment division to another series that better meets the needs of the Division.
  - d. Restructuring of one 1109 Supervisory Grants Specialist to realign grants management with Interagency Agreements to further meet the mission of the office.
8. OGD has one 0343 Program Analyst position whose work can be absorbed within the organization and restructured at a lower grade level.
9. The Office of Administration seeks to target 29 Program Analyst 0343 positions with 10 max offers for restructuring to become more aligned with up to date mission functions and duties.
10. OARM-Cincinnati proposes to restructure one 0343 Program Analyst (Records Management) to a lower grade level with a focus on core business functions.

**Restructure positions to focus on core business functions** where needs can be met more economically, by leveraging technology, or utilizing other resources. Includes the printing function, printing officers, and elimination of embedded attorney services in favor of OGC expertise. These positions will be restructured at lower grade levels and into positions that support core business functions.

1. OHR<sup>15</sup> reducing the number of surplus 2210 IT Specialist positions by two.
2. OROM proposes the restructuring of two 0301 – Miscellaneous Administration and Program Management positions to ensure the right technical and analytical skills are accounted for.



3. OROM will target one 0343 positions to be restructured where the focus will be on ensuring the right technical and analytical skills are accounted for.
4. OROM proposes the elimination of one 0905 Attorney position where the work is duplicative to the services provided by OGC.
5. OAM efforts to restructure and reshape the workforce will focus on augmenting core business services by reducing and reshaping various support positions into 1102-Contract Specialist positions. This includes restructuring a variety of support positions including, 1106 Procurement Clerical and Technician, 0301 Program Specialist and Staff Assistant, 0318 Secretary, 0326 Office Automation Clerk, 0341 Administrative Officer and highly graded 0343 Program Analysts.
6. OAM seeks to restructure five of the eight 2210 positions, eliminating three positions. As the agency moves from a model of custom application development and on site hosting, there is a need to obtain current IT skills and expertise as we move to a cloud or shared hosting environment and procure standardized systems to meet our acquisition needs. There is also a need to obtain skills in the areas of data analytics, data mining and data reporting as required by the DATA Act.
7. OAM seeks to restructure the 1102-Contracting (Procurement Analyst) into 1102-Contract Specialist. The 24 positions across OAM will also be reduced.
8. OGD would restructure one 1801 Compliance Specialist to consolidate the function to one geographic location.
9. OARM-Cincinnati proposes to restructure one 0318 Secretary to a lower grade level with a focus on core business functions.

**Consolidate or reduce administrative or support functions in order to increase emphasis on positions and series directly supporting our core business functions – facility, engineering, contract, grant and human resources management.**

- Reduce the number of employees in specific occupational series (e.g., automation clerks, secretaries, procurement analysts, grants assistants, program and management analyst positions).
  - Realign current administrative specialists and program analysts to consolidate internal HR support and budget execution in OARM to achieve efficiency.
  - Restructure positions to recruit candidates having skills required to close current competency gaps.
1. OA proposes the restructuring of ten 0342 Support Services Specialist positions for consolidation of skills under the 1176 Building Manager Series at lower grade levels.



2. OHR has two administrative positions 0303 – Clerk and 0326 – Automation Clerk, where the work has become obsolete and these two positions will be eliminated.
3. OAM seeks to restructure 0306 Government Information Specialist positions currently doing FOIA work to focus on core business functions. The FOIA work will be consolidated centrally within OAM.
4. OGD seeks to eliminate a 0303 Miscellaneous Clerk administrative function, where the work has become obsolete.
5. OARM-Cincinnati proposes to restructure one 1645 Printing Services to a lower grade level with a focus on core business functions.
6. OROM seeks to eliminate one 0343 Program Analyst GS-12 position where the work has become obsolete due to technology and changing workforce needs.

**How VSIP will be used in conjunction with VERA:**

OARM has 121 employees eligible for regular retirement and 164 eligible for early retirement through VERA in the above identified series. The VSIP authority presents an attractive enticement to those employees who will realize a reduced annuity from retiring early through VERA. Therefore, the combination of optional and early retirement eligible employees will result in the maximum number of departures, which is important to OARM to reshape its organization. The VSIP can further increase the potential departure group by providing a separation incentive to employees who have more than three years of status and hence could elect to depart to pursue other career opportunities.

Hence, the combination of VERA and VSIP provides the greatest likelihood of the OARM achieving the necessary reshaping and restructuring of its workforce.

**The types of personnel actions anticipated as a result of the above proposed restructuring and elimination of positions include:**

- Directed reassignments
- Competitive details
- Voluntary separations and retirements
- Abolishment of some positions
- Reclassification and restructuring of some positions
- Internal and possible external competitive recruitments.

**Office of Pesticide Programs 50 Approved Hires (paid by Fees)**

	Antimicrobials Division (AD)	Biological and Economic Analysis Division (BEAD)	Biopesticides and Pollution Prevention Division (BPPD)	Environmental Fate and Effects Division (EFED)	Field and External Affairs Division (FEAD)	Health Effects Division (HED)	Information Technology and Resources Management Division (ITRMD)	Pesticide Re- Evaluation Division (PRD)	Registration Division (RD)	
Interdisciplinary Scientist (Toxicologist/Chemist/Biologist)	1		3	7		8		8	4	
Plant Pathologist/ Entomologist/Agronomist/Biologist		1							4	
Economists		1								
Microbiologist	1	1								
Modeler				1						
Enterprise Architect							1			
EPS	2	1	3		2			1		
<b>TOTAL</b>	<b>4</b>	<b>4</b>	<b>6</b>	<b>8</b>	<b>2</b>	<b>8</b>	<b>1</b>	<b>9</b>	<b>8</b>	<b>50</b>

## **Workforce Reshaping: Early-Outs/Buy-Outs**

### **BACKGROUND**

*Voluntary Early Retirement Authority (VERA)* provides agencies the option to offer voluntary early retirement that are undergoing substantial restructuring, reshaping, downsizing, transfer of function, or reorganization. It is an option for increasing voluntary attrition – provides an incentive for employees to voluntarily retire or resign and could provide placement opportunities for employees occupying surplus positions.

*Buy-Out or Voluntary Separation Incentive Payment (VSIP) Authority* allows agencies that are downsizing or restructuring to offer employees lump-sum payments up to \$25,000 as an incentive to voluntarily separate. An agency may offer VSIP to employees who are in surplus positions or have skills that are no longer needed in the workforce who volunteer to separate by resignation, optional retirement, or by voluntary early retirement.

### **REQUIREMENTS**

EPA has held discussions with OPM about developing the required business case that outlines our plan for achieving reductions. The business case includes:

- Justification for request
- Data on the targeted population (targeted positions will be eliminated or restructured; positions critical to the agency should not be included in the targeted population)
- Before and after organizational charts, as applicable
- Time period the incentives are available
- Anticipated budget impact
- Anticipated employee interest
- The maximum number of buy-outs to be offered
- Information about how the organization will operate without the eliminated or restructured positions and functions.

OPM and OMB approval is required and approval generally takes 4-6 weeks and will stipulate a period of time during which the agency can offer the two incentives.

### **TIMELINE**

A minimum of four months is required to complete the VERA/VSIP process. EPA will look to limit the number of business cases to help expedite the process. Tentative plan of submitting business case to OPM/OMB in May 2017 could result in employee departures from agency rolls by the end of September 2017.

1. Develop Business Case (45-60 days – complete by May 2017)
  - Obtain retirement data and estimate costs
  - Develop business case in collaboration with OPM and OMB (i.e., identify positions targeted and explain how agency will meet its mission needs)
  - Notify unions
2. OPM/OMB Review/Approval (30-45 days – by June 2017)

3. Implementation/Separations (60-90 days --- July – September 2017)

- Notify unions of OPM approved plan
- Issue employee notifications
- Separations

**CURRENT RETIREMENT ELIGIBILITY OF EPA EMPLOYEES**

Of 15,053 permanent employees:

3,186 are currently eligible to retire now;

3,788 are VERA eligible; and

13,618 are VSIP eligible.

**RESULTS FROM 2014/2015 V/V EFFORTS**

In 2014 we targeted 5,828 positions and the maximum number to be approved was 1,365. Total departures were 456 employees which is 7.82% of what was targeted and 33.4% of what we agreed to approve.

In 2015 we targeted 2,095 positions and the maximum number for approval was 587. Total departures were 196 (9.36% of the targeted number and 33.4% of what we agreed to approve.)

Total departures for both years was 652 employees.

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- 13,618 are VSIP eligible.

### **REQUIREMENTS**

- Business Case - justification for request (cannot be based on a proposed budget) – base on efficiencies that could be obtained or identification of skill no longer needed
- Data on the targeted population (targeted positions will be eliminated or restructured; positions critical to the agency should not be included in the targeted population)
- Before and after organizational charts, as applicable
- Time period the incentives are available
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## Possible Scenarios

**Current (FY16) Budget Levels Are Generally Maintained** – assume there may be some difficult spots by we could generally achieve the reduction through attrition and alignment through reassignments. Organizations could develop a business case that is based on reshaping to gain efficiency and cost savings. This could provide the Agency with flexibility to invest in future priorities.

**Reductions Above a level that can be achieved through Attritions but not as significant as the PB** - initiate a V/V by developing a business case that is based on change of agency priorities. The final level would be achieved through a V/V and attrition.

**Reductions are at the PB Level** – final level would need to be achieved through attrition, V/V and conducting a RIF.

### Key Points:

- Timing – a V/V takes at least 4 months. Any V/V planning that reduces staff by 9/30 would need to be started in May. Waiting for congressional direction is likely to mean staff off payroll by 12/31.
- Waiting would likely mean we would need to find payroll for the first quarter. For scenario 2 this would likely be through reducing funds available for program implementation. In scenario 3, this could prove difficult through redirection of program funds and would likely require a furlough.
- A V/V generally attracts higher graded, longer tenured employees with higher pay. V/V would likely provide a lower future payroll. A RIF would eliminate lower graded less-seasoned employees. A RIF alone would leave the higher cost employees. It would also likely eliminate the more junior staff that we have invested in training for succession management purposes.



→ 24-316

## Administrator Pruitt's Talking Points on EPA's Passback Appeal

### Appeal

- The Passback funded EPA at \$6.155 billion and 12,397 FTE for FY 2018
  - A reduction of \$1.985 billion and 2,979 FTE from FY 2016 enacted levels
- The EPA appeal requests \$7.435 billion and 14,176 FTE
  - An increase of \$1.280 billion and 1,779 FTE above the Passback.

\$6.155

\$25M for FTE  
reduction in passback  
decrease of 866  
Total.

12.5% by Oct 2018

### Workforce, Proposed Reorganizations and Footprint [1,779 FTE and Associated Pay: (\$239.0M)]

- Meeting the aggressive workforce reduction over the next six months does not allow time for the required evaluation and planning.
- Workforce levels, reorganizations and footprint decisions need to be made together to minimize cost.
- As a practical matter, time is a major constraint to achieving higher numbers
  - EPA Chief Human Capital Officer met with OPM representatives to discuss Reduction in Force process
  - OPM indicated RIF not realistic to implement within 6 months – expect closer to ten months
  - Extensive preparatory work required
  - Not a large set of staff we can 'simply' release
- Rough estimates for 2600 staff taking VERA/VSIP is \$98 M versus similar number for a reduction in force \$166 M (Note: VERA/VSIP unlikely to reach 2600).

Both cuts  
w/ exception

Friday

Examples.

### Commitment to Our Nation's Infrastructure

- Clean Water and Drinking Water State Revolving Funds (\$4.0 M) – Funding builds, modernizes and provides vital clean water and drinking water to millions of Americans.
- Superfund Program (\$247.0 M) – A peer-reviewed study found that residential property values within three miles of a Superfund site increased 18.6 – 24.5 percent when sites were cleaned up and deleted from the National Priorities List.
- Brownfields Program (\$82.0 M) – More than 115,000 jobs ultimately created and \$24.8 billion were raised from public and private sources over the past three years.
- Alaska Native Villages (\$20.0 M) – These communities trail behind the non-tribal/non-native US population for access to drinking water and basic sanitation.

### Federalism and Partnerships

- Support for States and Tribes: (\$215.0 M) – This funding is necessary to allow states to take the lead in complying with statutory obligations.
- Geographic Programs: (\$335.0 M) – These programs support job creation in agriculture and fishing and are important in communities where people live and work.
- Diesel Emissions Reduction Act (DERA): (\$50.0M) – Retrofitting or replacing older diesel engines is an important strategy for state and local governments to achieve air quality attainment.

Strong

Restored to enacted – w/ eliminations

### Core Programs

- TSCA (\$20.0 M) – New legislation adds a number of responsibilities to EPA. Reducing the base will make it impossible for the program to keep up with the law's ambitious timeframes.
- ORD (\$46.0 M)
  - Support for IRIS, a comprehensive database of health impacts for chemicals and materials used as a reference for all EPA office, private industry and federal and state governments.
  - Maintains support for the computational toxicology program, which replaces expensive and slow animal testing.
  - Research necessary for implementation of core EPA responsibilities.

**Other Core Programs**

- OIG (\$10.0 M)
- OCFO (\$5.0 M)
- OEI (\$10.0 M)
- OECA (\$10.0 M)
- E-Manifest (\$4.0 M)
- Cybersecurity (\$19.0 M)
- Radon (\$1.0 M)



## EPA Workforce Composition - March 2017

- Total number of onboard employees: 15,241 (includes 14,996 permanent employees and 245 temporary employees)
- Total number of employees within their one-year probationary period: 643 (includes 65 Veterans and 33 employees with disabilities \*)
  - CFR in 315.804 and 805 provide for termination of probationers for unsatisfactory performance or conduct and for "conditions arising before appointment," generally misconduct/suitability issues.
  - CFR 351.201 (in summary)- An agency is required to use the RIF procedures when an employee is faced with separation or downgrading for a reason such as reorganization, lack of work, shortage of funds, insufficient personnel ceiling, or the exercise of certain reemployment or restoration rights.
- Total number of employees that are: currently retirement eligible: 3,165
  - planning to retire in the next 3 months: 64
  - eligible to retire in the next 1-3 years: 2,115
  - eligible to retire in the next 3-5 years: 1,274
- Total number of employees on extended Administrative Leave: 2

for cause  
cuts in  
budget  
not count  
(OPM)

## Workforce Planning Options

- 2 workforce planning tools: VERA/VSIP and Reduction in Force - both require that the agency develop a business case that identifies how the agency will accomplish the reduction.
- Timeframe: V/V would take a minimum of 4 months and a RIF approximately 10 months.
- Cost of reducing by 2600: V/V - \$98M. The RIF - \$163M. The V/V estimate is calculated on the high end because we assumed a high annual leave payout. Please note this is for comparison purposes only. Cost is very dependent on the specific individuals that are separated.
- The resulting workforce would likely look very different. A V/V would likely result in losing more senior staff. A RIF would result in losing the more junior staff.

RIF - separation pay more expensive - \$50,000/person  
Budget - \$25,000 - 2014 30% eligible retirees - 600.  
- furloughs

Enacted - GLOBE Obama

Sequester.

2000

## Additional Background Material for Passback Appeal Meeting

1. How much did OMB build in for separations? (~~Holly and I remembered \$25m but I know you were working through the numbers with OMB).~~

Approximately \$95M was built into OMB's estimate for payroll in the Passback for separations (buyout/severance payment and annual leave payout).

2. Provide a table with Enacted FTE and Dollars for Bush and Obama administrations.

### EPA's Historical Budgets, FY 2004 - FY 2016

(Dollars in Thousands)

Fiscal Year	Enacted \$	Enacted FTE	Actuals FTE
FY 2004	\$8,365,420	17,909.0	17,611.0
FY 2005	\$8,023,483	17,759.0	17,494.6
FY 2006	\$7,718,416	17,631.0	17,354.6
FY 2007	\$7,725,130	17,559.7	17,071.9
FY 2008	\$7,472,324	17,323.8	16,916.4
FY 2009	\$7,643,674	17,252.1	16,987.7
FY 2010 (SRF)	\$10,299,864	17,417.0	17,277.9
FY 2011	\$8,682,117	17,493.6	17,359.2
FY 2012	\$8,449,385	17,055.1	17,105.6
FY 2013	\$7,901,104	16,201.3	15,913.4
FY 2014	\$8,200,000	15,520.8	15,408.0
FY 2015	\$8,139,887	15,335.0	14,725.0
FY 2016	\$8,139,887	15,376.3	14,778.5

seq. [

] attrition faster

\$6.1 \$7.4 last GWP

3. Explain what the Agency did to reduce from 18,000 to 15,000 FTE. What steps were taken? What was the timeline?

The agency reduced from a high of 18,000 in FY 1999 to 15,000 FTE in FY 2016. This was accomplished primarily through attrition, VERA/VSIP, and a hiring freeze during sequestration. After the decision to reduce to 15,000 FTE, the agency imposed a 3:1 hiring restriction. Since 2013 the pace of hiring has slowed resulting in a continued decline in FTE relative to hiring.

- First round of VERA/VSIP in FY 2014 - 459 employees
- Second round of VERA/VSIP in FY 2015 - 196 employees

600

4. Provide facts on how we handled sequester.

- Furlough in FY 2013: Several agency programs are mostly salaries and have limited flexibility. EPA made the decision that all employees would be treated alike.
- Initially on March 4, 2013, employees were notified they would be furloughed for 13 days (104 hours).
- A reassessment of pay and non-pay was conducted later in the year. EPA was able to reprogram funds across programs within the Congressional reprogramming limits. The number of furlough hours was reduced.
- In the end, EPA furloughed employees for 47 hours in FY 2013. There were a total of 742,555 furlough hours in FY 2013 (equivalent to 355 FTE.)



# EPA Proposed Reductions: \$500m

\$ in thousands

Program	FY 2016 Enacted		FY 2018 Passback		New Level		Δ (New Level - Passback)		Δ (New Level - FY16)	
	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE
Cancellation of Unobligated Balances	0	0.0	(120,000)	0.0	(247,000)	0.0	(127,000)	0.0	(247,000)	0.0
Categorical Grant: Nonpoint Source (Sec. 319)	164,915	0.0	115,221	0.0	0	0.0	(115,221)	0.0	(164,915)	0.0
Superfund	1,094,169	2,664.1	746,886	2,088.3	646,886	2,088.3	(100,000)	0.0	(447,283)	(575.8)
Accepted EPA Offsets*										
Categorical Grant: Pollution Prevention	4,765	0.0	3,329	0.0	0	0.0	(3,329)	0.0	(4,765)	0.0
Pollution Prevention Program	13,140	58.1	7,223	38.4	0	0.0	(7,223)	(38.4)	(13,140)	(58.1)
Reduce Risks from Indoor Air	13,733	39.1	8,233	28.9	0	0.0	(8,233)	(28.9)	(13,733)	(39.1)
RCRA: Waste Minimization and Recycling	8,849	51.0	7,125	30.0	0	0.0	(7,125)	(30.0)	(8,849)	(51.0)
Stratospheric Ozone: Multilateral Fund	8,928	0.0	8,036	0.0	0	0.0	(8,036)	0.0	(8,928)	0.0
Trade and Governance	5,907	18.0	3,037	9.0	1,037	9.0	(2,000)	0.0	(4,870)	(9.0)
ORD	484,104	1,652.4	289,611	1,095.8	269,611	945.8	(20,000)	(150.0)	(214,493)	(706.6)
Geographic Programs	427,737	140.1	19,000	32.0	3,200	0.0	(15,800)	(32.0)	(424,537)	(140.1)
LUST Prevention Grants to States	26,867	0.0	19,416	0.0	0	0.0	(19,416)	0.0	(26,867)	0.0
National Estuary Program	26,723	43.6	17,620	33.0	4,620	0.0	(13,000)	(33.0)	(22,103)	(43.6)
OECA	549,482	2,926.5	432,023	2,356.8	421,023	2,336.8	(11,000)	(20.0)	(128,459)	(589.7)
Drinking Water Programs	96,525	497.6	90,182	470.3	80,182	420.3	(10,000)	(50.0)	(16,343)	(77.3)
WIFIA	0	0.0	20,000	12.0	10,000	12.0	(10,000)	0.0	10,000	12.0
Categorical Grant: Brownfields	47,745	0.0	33,358	0.0	25,358	0.0	(8,000)	0.0	(22,387)	0.0
Surface Water Protection	200,256	1,023.9	180,533	937.1	175,533	937.1	(5,000)	0.0	(24,723)	(86.8)
Federal Vehicle and Fuels Standards and Certification	93,247	304.5	76,045	261.3	71,045	261.3	(5,000)	0.0	(22,202)	(43.2)
Federal Support for Air Quality Management	124,743	822.8	119,396	715.7	114,396	615.7	(5,000)	(100.0)	(10,347)	(207.1)
<b>Total</b>							(500,383)	(482.3)	(1,815,944)	(2,615.4)

\* Accepted offsets also includes Categorical Grant: Nonpoint Source (\$64 million) and LUST Prevention (\$5 million)





### ***President's Budget Blueprint***

- \* The blueprint's overarching goal is easing regulatory burdens while protecting public health.
- \*The blueprint helps refocus the Agency on its core mission.
- \*The blueprint reflects the President's priorities of preserving clean air and water as well as to ease the burden of costly regulations to industry.

### ***Positive Funding***

- \* With the exception of 2016, SRFs have taken cuts as high as 23% since 2012. This budget does not reduce funding for the State Revolving Funds (SRFs), and provides robust funding for the Water Infrastructure Finance and Innovation Act (WIFIA) program to finance critical drinking and wastewater infrastructure.
- \*Reductions were both targeted and strategic – freeing up resources from voluntary programs to re-prioritize funding for programs tethered to statutes.

### ***Regulatory Burden***

- \* It also concentrates EPA's enforcement on programs that are not delegated to states.
- \*Rolling back regulatory burden and giving the states authority to be primary implementers of environmental programs on the ground.
- \*Administrator Pruitt is committed to leading the EPA in a leaner way as we partner with states to fulfill the agency's core mission.
- \*Government has been too consequential, too big – in reality all 50 states across our nation care about land and water

### ***Next Steps***

- \*Development of our congressional justification within these topline numbers begins now, and will be released to Congress and the public in mid-May.
- \* Work with state, tribal and Federal partners to take a more comprehensive look at our priorities and the best ways to accomplish our core work – keeping our air and water clean.
- \*Redesign the way we do business to focus on achieving our core responsibilities.

→ Like: most tangible - restoring communities  
helping attainment / water quality  
supporting state



# EPA Proposed Reductions: \$500m - Internal Predeliberative

\$ in thousands

Program	FY 2016 Enacted \$	FTE	FY 2018 Passback \$	FTE	New Level \$	FTE	Δ (New Level - Passback) \$	FTE	Δ (New Level - FY16) \$	FTE
OMB ADJUSTED LEVELS										
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WIFIA	0	0.0	20,000	12.0	10,000	12.0	(10,000)	0.0	(10,000)	12.0
Categorical Grant: Brownfields	47,745	0.0	33,358	0.0	25,358	0.0	(8,000)	0.0	(22,387)	0.0
Surface Water Protection	200,256	1,023.9	180,533	937.1	175,533	937.1	(5,000)	0.0	(24,723)	(86.8)
Federal Vehicle and Fuels Standards and Certification	93,247	304.5	76,045	261.3	71,045	261.3	(5,000)	0.0	(22,202)	(43.2)
Federal Support for Air Quality Management	124,743	822.8	119,396	715.7	114,396	615.7	(5,000)	(100.0)	(10,347)	(207.1)



# EPA Proposed Reductions: \$500m - Internal Preliminary

\$ in thousands

Program	FY 2016 Enacted \$	FTE	FY 2018 Passback \$	FTE	New Level \$	FTE	Δ (New Level - Passback) \$	FTE	Δ (New Level - FY16) \$	FTE
EPA First Round Adjustments										
Superfund	1,094,169	2,664.1	746,886	2,088.3	746,886	2,088.3	100,000		(347,283.0)	(575.8)
WIFIA	0	0.0	20,000	12.0	20,000	12.0	10,000		20,000.0	12.0
Categorical Grant: Brownfields	47,745	0.0	33,358	0.0	33,358	0.0	8,000		(14,387.0)	0.0
Toxic Substances: Chem. Risk Review and Reduction (TSCA)	58,554	238.7	45,940	185.1	58,554	185.1	20,000		0.0	(53.6)
Diesel Emissions Reduction Grant Program	50,000	0.0	0	0.0	15,000	0.0	15,000		(35,000.0)	0.0
Audits, Evaluations, Inspections (OIG)	41,489	268.0	40,656	195.0	33,489	195.0	(7,167)		(8,000.0)	(73.0)
Integrated Environmental Strategies	11,491	55.8	8,441	43.0	0	0.0	(8,441)		(11,491.0)	(55.8)
Executive Management and Operations (OA)	47,019	307.4	37,283	221.0	32,581	196.0	(4,702)		(14,438.0)	(111.4)
ORD - Human Health Risk Assessments, Research, etc.	484,104	1,652.4	289,611	1,095.8	244,611	1,095.8	(27,000)		(239,493.0)	(556.6)
International Sources of Pollution	6,430	38.2	6,126	30.2	3,063	14.2	(3,063)		(3,367.0)	(24.0)
Marine Pollution	10,161	37.4	8,627	35.0	0	35.0	(8,627)		(10,161.0)	(2.4)
National Estuary Program	26,723	43.6	17,620	33.0	0	0.0	(4,620)		(26,723.0)	(43.6)
Acquisition Management	30,464	177.6	26,728	140.1	22,728	140.1	(4,000)		(7,736.0)	(37.5)
Climate Protection Program (EPM)	95,436	190.3	29,169	54.7	0	0.0	(29,169)		(95,436.0)	(190.3)
Climate Protection Program (S&T)	8,018	33.8	6,099	29.6	0	0.0	(6,099)		(8,018.0)	(33.8)
Clean Air Allowance Trading Programs	16,143	71.4	15,241	63.7	12,941	63.7	(2,300)		(3,202.0)	(7.7)
Federal Stationary Source Regulations	22,943	122.5	21,090	89.1	20,090	79.1	(1,000)		(2,853.0)	(43.4)
Federal Support for Air Quality Management (EPM)	124,743	822.8	119,396	715.7	109,236	685.7	(5,160)		(15,507.0)	(137.1)
Categorical Grant: Pesticides Enforcement	18,050	0.0	12,611	0.0	11,050	0.0	(1,561)		(7,000.0)	0.0
Trade and Governance	5,907	18.0	3,037	9.0	0	0.0	(1,037)		(5,907.0)	(18.0)
RCRA: Waste Management	59,098	324.8	52,616	249.0	47,616	197.0	(5,000)		(11,482.0)	(127.8)
Legal Advice: Environmental Program (EPM)	48,565	272.4	45,590	242.0	40,000	230.0	(5,590)		(8,565.0)	(42.4)
State and Local Prevention and Preparedness	\$15,318	74.2	12,215	58.9	10,000	46.9	(2,215)		(5,318.0)	(27.3)
Wetlands	\$21,065	137.3	18,992	120.0	11,000	115.0	(7,992)		(10,065.0)	(22.3)
Facilities Infrastructure and Operations (S&T)	\$68,339	0	69,289		68,339	0.0	(950)		0.0	0.0
Pesticides: Protect Human Health from Pesticide Risk	\$57,809	324.8	50,948	304.0	48,948	304.0	(2,000)		(8,861.0)	(20.8)
Pesticides: Protect the Environment from Pesticide Risk	\$37,293	207.9	32,139	189.0	30,139	189.0	(2,000)		(7,154.0)	(18.9)
Legal Advice: Support Program	\$64,045	365.2	14,198	68.0	55,788	68.0	(4,000)		(8,257.0)	(297.2)
Alternative Dispute Resolution Total	\$1,045	5.3	657	4.0	0	0.0	(657)		(1,045.0)	(5.3)
Toxic Substances: Lead Risk Reduction Program Total	\$13,275	72.8	9,358	38.9	6,358	38.9	(3,000)		(6,917.0)	(33.9)
TRI / Right to Know Total	\$13,882	43.5	10,684	28.4	8,684	28.4	(2,000)		(5,198)	(15.1)
Stratospheric Ozone: Domestic Programs Total	\$4,915	22	4,441	21.0	3,700	18.0	(741)		(1,215)	(4.0)
Regional Science and Technology	\$1,532	2	1,149	2.0	0	0.0	(1,149)		(1,532)	(2.0)



# EPA Proposed Reductions: \$500m - Internal Predeliberative

\$ in thousands

Program	FY 2016 Enacted \$	FTE	FY 2018 Passback \$	FTE	New Level \$	FTE	Δ (New Level - Passback) \$	FTE	Δ (New Level - FY16) \$	FTE
Second Round Adjustment										
Brownfields Projects	\$80,000	0.0	0	0.0	75,000	0.0	75,000	0.0	(5,000)	0.0
Brownfields (EPM)	25,593	149.8	25,593	149.8	27,193	159.8	1,600	10.0	1,600	10.0
Drinking Water SRF	863,233	0.0	861,592	0.0	863,233	0.0	1,641	0.0	0	0.0
Clean Water SRF	1,393,887	0.0	1,391,237	0.0	1,393,887	0.0	2,650	0.0	0	0.0
Categorical Grant: Lead	14,049	0.0	9,816	0.0	0	0.0	(9,816)	0.0	(14,049)	0.0
Toxic Substances: Lead Risk Reduction Program	13,275	72.8	9,358	38.9	3,000	0.0	(6,358)	(38.9)	(10,275)	(72.8)
Federal Vehicle and Fuels Standards and Certification	93,247	305	76,045	261.3	22,045	136.3	(49,000)	(125.0)	(71,202)	(168.2)
Radiation: Protection (EPM)	8,443	37	8,155	32.6	0	0.0	(8,155)	(32.6)	(8,443)	(36.8)
Radiation: Protection (S&T)	1,835	11	1,707	9.1	0	0.0	(1,707)	(9.1)	(1,835)	(10.8)
Radiation: Protection (SF)	1,985	10	1,162	6.0	0	0.0	(1,162)	(6.0)	(1,985)	(10.0)
Federal Stationary Source Regulations	22,943	123	21,090	89.1	20,090	89.1	(1,000)		(2,853)	(33.4)
Federal Support for Air Quality Management (EPM)	124,743	823	119,396	715.7	109,236	715.7	(5,000)		(15,507)	(107.1)
Homeland Security: Preparedness, Response, and Recovery	33,301	65	15,976	50.8	14,976	50.8	(1,000)		(18,325)	(14.1)
Science Policy and Biotechnology	1,174	5	1,189	4.0	0	0.0	(1,189)	(4.0)	(1,174)	(5.4)
Legal Advice: Support Program	64,045	365	14,198	68.0	17,198	68.0	3,000		(46,847)	(297.2)
Acquisition Management	30,464	178	26,728	140.1	28,728	146.6	2,000	6.5	(1,736.0)	(31.0)
Pesticides: Protect Human Health from Pesticide Risk	57,809	325	50,948	304.0	48,948	292.0	(2,000)	(12.0)	(8,861.0)	(37.8)
Homeland Security: Critical Infrastructure Protection (EPM)	\$972	1	\$882	1.0	0	0.0	(882)	(1.0)	(972.0)	(1.0)
Homeland Security: Critical Infrastructure Protection (S&T)	\$10,517	22.1	\$7,262	19.3	0	0.0	(7,262)	(19.3)	(10,517.0)	(22.1)
Facilities Infrastructure and Operations (SF)	\$74,278	21.4	\$46,037	12.3	56,870	12.3	10,833	0.0	(17,408.0)	(9.1)
LUST / UST (EPM)	\$11,295	62.4	\$8,079	43.2	5,579	35.2	(2,500)	(8.0)	(5,716.0)	(27.2)
LUST / UST (S&T)	\$9,240	45.7	\$8,867	41.6	6,367	33.6	(2,500)	(8.0)	(2,873.0)	(12.1)
LUST Prevention Grants to States	26,867	0.0	19,416	0.0	20,463	0.0	1,047	0.0	(6,404)	0.0
Total							(500,383)	(1,070.0)	(2,977,937)	(6,065.5)

# Summary Highlights of OMB's Passback for EPA's FY 2018 Budget

## Topline

- OMB passback is \$6,155 or about 24% below FY 2016 enacted and 12,397 FTE, about 20% below FY 2016 enacted
- The topline funding and staff levels will be included in the Blueprint Budget to be released March 16<sup>th</sup> - this means we have to complete negotiation on topline and main changes quickly

## Overall approach

- SRFs were held steady with FY 2016 (less \$100 m for Flint)
- WIFIA is held at \$20 M – current level under CR
- OMB focused on reducing or eliminating 'voluntary' programs – but it appears that core work also will be affected
- Geographic programs, Categorical grants also reduced

## Workforce

- The passback cuts agency FTE by 2,979 FTE or about 20%.
  - Current on-board numbers are approximately 14,997 or 379 lower than the FY 2016 appropriated ceiling
  - The target reduction exceeds attrition rate and assumes early retirement/buy out options as well as reduction in force (RIF)
    - Timing does not appear feasible to hit full reduction within 6 months – RIF process very complex/prescriptive
    - Straight attrition would lead to approximately 1500 fewer on-board by end of FY 2018
  - Initial review does not show a particular pattern to the reductions
    - Eliminated programs add up to about 250 FTE of the 2979 FTE reduction
    - Air programs have a large reduction to Climate; but Air programs FTE reduction overall appears about proportional
    - Similar pattern for OECA *460 FTE, 2 / 2,760*

## Reorganizations

- The Passback assumes some reorganizations
- OA: merge Children's Health with Office of Policy
  - -merge portions of OITA into OA, eliminate others
  - -eliminate Office of Public Engagement

## OMB's stated focus was on reducing or eliminating Voluntary or Lower Priority work but serious impacts to core work was also included

- Complete eliminations or 30% reductions to Categorical Grants impacts core work done by states
- Geographic program funding is the vehicle for making tangible progress in meeting objectives – programs were either eliminated or significantly reduced
- Work in Superfund supports communities by making unusable land usable or reducing risk – cut by 33%.
- Eliminating the Mexico Border program funding but shifting work to OW, OLEM and OAR to fund from base resources is in effect a reduction to base work in these programs

### **Funding for Administrator's stated Priorities in Passback:**

- State Categorical Grants cut by either 30% or entirely – OMB allows for different allocation between grants
- SRFs (Clean Water and Drinking Water funded at FY 2017 Annualized CR levels
- DERA not funded
- Superfund reduced by 33% (\$347M) with largest single reduction of \$157M to the remedial program
- Brownfields reduced by 43% (\$10.8 M) in EPM and brownfields grants in STAG by 100% (\$80M)
- TSCA funding reduced by 23% or \$12M (assumes we will get \$15M in fees)
- IT modernization – Passback asks for information on one legacy system

### **Directed changes to EPA space footprint:**

- Asked to provide options for lab in Las Vegas other than a build-to-suit lease and a plan for moving from 10 regional offices to 8 (Passback assumes savings of 50 FTE in FY 2018).
- Assumes funding is sufficient for completion of lab consolidations in Corvallis, OR and Lakewood CO and substantial progress in decommissioning part of lab in Las Vegas, NV.
- Assumes savings realized from rent avoidance through consolidation projects at Potomac Yards North, and Regions 1, 5 and 9 as well as on-going consolidation in Region 2 and the Las Vegas lab.
- EPA is to dispose of space in Grosse Ile, MI by end of FY 2018

### **38 programs were listed to be eliminated totaling approximately \$400M and 250 FTE**

- Geographic Programs:
  - Alaska Native Villages, US Mexico Border program, Mexico Border grants
  - Geographic Programs with no FTE: Lake Champlain, Long Island Sound, San Francisco Bay, and South Florida
- State/Tribal Grants:
  - Proposed for elimination by EPA before: Beach/Fish program, State Indoor Air Radon Grants
  - Programs added by Congress through Appropriation: Multi-purpose Grants, Targeted Airshed Grants
- Resources supporting communities or grantees
  - Brownfields Project Grants
  - DERA
  - Environmental Education
  - Environmental Justice
  - Office of Public Engagement
  - Radon Program
  - Small Business Assistance
  - WaterSense
- Research
  - Science to Achieve Results (STAR) Research Grants
  - Endocrine Disrupter Screening Program
- Climate Change related programs:
  - Clean Power Plan Implementation
  - 14 Climate Voluntary Partnerships Programs
  - EnergyStar
  - Global Change Research
  -



6.1-7.3

Options to attain 10% reduction overall

3,000 by Oct 1, 2017

Workforce: \$280 M

→ Oct 2018 down 1,600.

-to avoid RIFs and use attrition for reduction, FTE reduction would need to be approximately 1200

-early out/buy out might accelerate some departures

-would need approximately \$280 M to fund 1800 FTE

Restore priorities

Geographics: \$300 - 350 M

-reduce by about 10% rather than by \$408 M

Infrastructure: \$100 - 120 m for grants programs

Brownfields, DERA, Alaska Native villages, Mexico border

Superfund clean-up programs: \$140 M

Restore most of \$157 m reduction

Categorical grants: \$280 M

-target a 10% reduction, less selected items

Range of above is \$1.1 B to \$1.2 B

-will need to restore some cuts to IT, core programs

-analysis ongoing



**EPA Proposed Reductions: \$500m - Internal Predeliberative**

\$ in thousands

Program	FY 2016 Enacted		FY 2018 Passback		New Level		Δ (New Level - Passback)		Δ (New Level - FY16)	
	\$	FTE	\$	FTE	\$	FTE	\$	FTE	\$	FTE
Cancellation of Unobligated Balances	0	0.0	(120,000)	0.0	(247,000)	0.0	(127,000)	0.0	(247,000)	0.0
Categorical Grant: Nonpoint Source (Sec. 319)	164,915	0.0	115,221	0.0	0	0.0	(115,221)	0.0	(164,915)	0.0
Superfund	1,094,169	2,664.1	746,886	2,088.3	646,886	2,088.3	(100,000)	0.0	(447,383)	(575.8)
Accepted EPA Offsets*										
Categorical Grant: Pollution Prevention	4,765	0.0	3,329	0.0	0	0.0	(3,329)	0.0	(4,765)	0.0
Pollution Prevention Program	13,140	58.1	7,223	38.4	0	0.0	(7,223)	(38.4)	(13,140)	(58.1)
Reduce Risks from Indoor Air (EPM)	13,733	39.1	8,233	28.9	0	0.0	(8,233)	(28.9)	(13,733)	(39.1)
RCRA: Waste Minimization and Recycling	8,849	51.0	7,125	30.0	0	0.0	(7,125)	(30.0)	(8,849)	(51.0)
Stratospheric Ozone: Multilateral Fund	8,928	0.0	8,036	0.0	0	0.0	(8,036)	0.0	(8,928)	0.0
Trade and Governance	5,907	18.0	3,037	9.0	1,037	9.0	(2,000)	0.0	(4,870)	(9.0)
ORD	484,104	1,652.4	289,611	1,095.8	269,611	945.8	(20,000)	(150.0)	(214,493)	(706.6)
Geographic Programs	427,737	140.1	19,000	32.0	3,200	0.0	(15,800)	(32.0)	(424,537)	(140.1)
LUST Prevention Grants to States	26,867	0.0	19,416	0.0	0	0.0	(19,416)	0.0	(26,867)	0.0
National Estuary Program	26,723	43.6	17,620	33.0	4,620	0.0	(13,000)	(33.0)	(22,103)	(43.6)
OECA	549,482	2,926.5	432,023	2,356.8	421,023	2,336.8	(11,000)	(20.0)	(128,459)	(589.7)
Drinking Water Programs	96,525	497.6	90,182	470.3	80,182	420.3	(10,000)	(50.0)	(16,343)	(77.3)
WIFIA	0	0.0	20,000	12.0	10,000	12.0	(10,000)	0.0	10,000	12.0
Categorical Grant: Brownfields	47,745	0.0	33,358	0.0	25,358	0.0	(8,000)	0.0	(22,387)	0.0
Surface Water Protection	200,256	1,023.9	180,533	937.1	175,533	937.1	(5,000)	0.0	(24,723)	(86.8)
Federal Vehicle and Fuels Standards and Certification	93,247	304.5	76,045	261.3	71,045	261.3	(5,000)	0.0	(22,202)	(43.2)
Federal Support for Air Quality Management	124,743	822.8	119,396	715.7	114,396	615.7	(5,000)	(100.0)	(10,347)	(207.1)
<b>Total</b>							(500,383)	(482.3)	(1,815,944)	(2,615.4)

	FY 2016 Enacted		FY 2018 Passback		New Level		Δ (New Level - Passback)		Δ (New Level - FY16)	New Level % Change from FY 16	New Level % change from Passback
Superfund	1,094,169	2,664.1	746,886	2,088.3	746,886		100,000	0.0	(347,283.0)	-32%	0%
WIFIA	0	0.0	20,000	12.0	20,000		10,000	0.0	20,000.0	100%	0%
Categorical Grant: Brownfields	47,745	0.0	33,358	0.0	33,358		8,000	0.0	(14,387.0)	-30%	0%
Toxic Substances: Chem. Risk Review and Reduction (TSCA)	58,554	238.7	45,940	185.1	58,554		20,000	53.6	0.0	0%	27%
Diesel Emissions Reduction Grant Program	50,000	0.0	0	0.0	15,000		15,000	0.0	(35,000.0)	-70%	100%
Audits, Evaluations, Inspections (OIG)	41,489	268.0	40,656	195.0	33,489		(7,167)	(40.0)	(8,000.0)	-19%	-18%
Civil Enforcement (OECA)& Compliance Monitoring (OECA)	549,482	2,926.5	432,023	2,356.8	411,023		(10,000)	(20.0)	(138,459.0)	-25%	-5%
Integrated Environmental Strategies	11,491	55.8	8,441	43.0	0		(8,441)	(43.0)	(11,491.0)	-100%	-100%
Executive Management and Operations (OA)	47,019	307.4	37,283	221.0	32,581		(4,702)	(8.0)	(14,438.0)	-31%	-13%
ORD - Human Health Risk Assessments, Research, etc.	484,104	1,652.4	289,611	1,095.8	244,611		(25,000)	(150.0)	(239,493.0)	-49%	-16%
International Sources of Pollution	6,430	38.2	6,126	30.2	3,063		(3,063)	(15.1)	(3,367.0)	-52%	-50%
Marine Pollution	10,161	37.4	8,627	35.0	0		(8,627)	(35.0)	(10,161.0)	-100%	-100%
National Estuary Program	26,723	43.6	17,620	33.0	0		(4,620)	0.0	(26,723.0)	-100%	-100%
Acquisition Management	30,464	177.6	26,728	140.1	22,728		(4,000)	(20.0)	(7,736.0)	-25%	-15%
Climate Protection Program (EPM)	95,436	190.3	29,169	54.7	0		(29,169)	(54.7)	(95,436.0)	-100%	-100%
Climate Protection Program (S&T)	8,018	33.8	6,099	29.6	0		(6,099)	(29.6)	(8,018.0)	-100%	-100%
Clean Air Allowance Trading Programs	16,143	71.4	15,241	63.7	12,941		(2,300)	(14.0)	(3,202.0)	-20%	-15%
Federal Stationary Source Regulations	22,943	122.5	21,090	89.1	20,090		(1,000)	0.0	(2,853.0)	-12%	-5%
Federal Support for Air Quality Management (EPM)	124,743	822.8	119,396	715.7	109,236		(5,160)	0.0	(15,507.0)	-12%	-9%
Categorical Grant: Pesticides Enforcement	18,050	0.0	12,611	0.0	11,050		(1,561)	0.0	(7,000.0)	-39%	-12%
Trade and Governance	5,907	18.0	3,037	9.0	0		(1,037)	(9.0)	(5,907.0)	-100%	-100%
RCRA: Waste Management	59,098	324.8	52,616	249.0	47,616		(5,000)	(50.0)	(11,482.0)	-19%	-10%
Legal Advice: Environmental Program (EPM)	48,565	272.4	45,590	242.0	45,000		(590)	(3.0)	(3,565.0)	-7%	-1%
State and Local Prevention and Preparedness	\$15,318	74.2	12,215	58.9	10,000		(2,215)	(3.0)	(5,318.0)	-35%	-18%
Wetlands	\$21,065	137.3	18,992	120.0	12,000		(6,992)	(20.0)	(9,065.0)	-43%	-37%
Federal Infrastructure and Operations (S&T)	\$68,339	0	69,289		68,339		(950)		0.0	0%	-1%
Pesticides: Protect Human Health from Pesticide Risk	\$57,809	324.8	50,948	304.0	45,948		(5,000)	(20.0)	(11,861.0)	-21%	-10%
Pesticides: Protect the Environment from Pesticide Risk	\$37,293	207.9	32,139	189.0	28,139		(4,000)	(20.0)	(9,154.0)	-25%	-12%
Legal Advice: Support Program	\$64,045	365.2	59,788	310.0	56,788		(3,000)	(60.0)	(7,257.0)	-11%	-5%
Environmental Justice	\$6,737	36.8	1,500	0.0	0		(1,500)		(6,737.0)	-100%	-100%
Alternative Dispute Resolution Total	\$1,045	5.3	657	4.0	0		(657)	(4.0)	(1,045.0)	-100%	-100%
Toxic Substances: Lead Risk Reduction Program Total	\$13,275	72.8	9,358	38.9	8,208		(1,150)	(5.0)	(5,067.0)	-38%	-12%

Total (500,383)  
Target (500,383)  
Difference 0

# Internal Use Only – Not for Further Distribution

## ENVIRONMENTAL PROTECTION AGENCY

### FY 2018 PASSBACK

	FY 2016 Enacted	FY 2017 Annualized CR	FY 2018 Passback
Budget Authority (millions)	8,140	8,244	6,155
FTE	15,376	15,376	12,397

## I. INTRODUCTION, OVERVIEW AND MAJOR FUNDING DECISIONS

### INTRODUCTION

The Administration's 2018 Budget Blueprint will prioritize rebuilding the military and making critical investments in the Nation's security. It will also identify the savings and efficiencies needed to keep the Nation on a responsible fiscal path.

Your Passback level highlights the tradeoffs and choices inherent in pursuing these goals. This means taking a closer look at the proper role and size of the Federal Government and prioritizing the programs that provide a good return for the taxpayer, as well as those that serve the most critical functions, while consolidating or eliminating duplicative, ineffective or less critical programs. Many difficult decisions were necessary to reach the funding level provided in this Passback, and the Office of Management and Budget (OMB) looks forward to collaborating with you on the allocation of resources within this topline.

EPA is at a critical juncture as it moves into the future. While the Passback level will create many challenges, it also can serve as a catalyst for how the Agency functions in the next ten to twenty years or beyond. By looking ahead and focusing on clean water, clean air, and other core responsibilities, rather than activities that are not required by law, EPA will be able to effectively achieve its mission. OMB looks forward to working with EPA as it develops this strategic vision for the Agency's future.

### OVERVIEW

Passback provides \$6.155 billion for EPA, a 24 percent reduction below the FY 2016 Enacted level. Significant reductions and eliminations of lower priority work and voluntary programs will help to ensure the availability of funds sufficient to meet core mission requirements. The State Revolving Fund is funded at the FY 2017 Annualized CR level, less the one-time \$100 million CR increase for lead pipe issues. The WIFIA program is also funded at the FY



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2017 Annualized CR level. The Passback level will reduce FTEs across the Agency by up to 3,000 FTE. Some of these will be lost due to attrition, with others leaving through early retirement, buyouts, or reductions in force.

### MAJOR REDUCTIONS AND ELIMINATIONS

The Passback level includes the following major program eliminations and reductions, which are necessary to meet the topline level and which will be discussed in the Budget Blueprint. These eliminations and major reductions will remain unchanged in the final 2018 President's Budget request for the Environmental Protection Agency.

**Workforce.** Passback levels will require significant workforce reduction across EPA. See Section III for additional details regarding payroll and workforce planning requirements.

**Energy and Climate Programs.** Passback largely maintains funding for greenhouse gas reporting, accounting, and basic analytical capabilities, but substantially reduces funding for regulatory and voluntary climate change mitigation programs. See Section III for additional details.

**Office of Enforcement and Compliance Assurance.** Passback provides \$432 million for Enforcement and Compliance. EPA will focus on eliminating potential duplication of enforcement actions carried out by states and prioritize inspections and enforcement activities. EPA is to shift focus to non-delegated programs and encourage states with delegated authorities to assume more active enforcement roles.

- Environmental Justice. OMB supports the work EPA has done on this program in the past and believes the policies in place are strong enough to continue forward. The Passback eliminates the EJ office and assumes any future EJ specific policy work can be transferred to the Office of Policy.
- Civil Enforcement and Compliance Monitoring. Passback funds civil enforcement at \$156 million and compliance monitoring at \$89 million. EPA is to evaluate ways to reduce federal enforcement inspections while keeping a consistent and effective enforcement program.
- Criminal Enforcement. Passback funds criminal enforcement at \$48 million.
- Forensics Support. Forensics Support (S&T and SF) is funded at \$11 million.
- Superfund: Enforcement and Federal Facilities Enforcement. Passback merges the Federal Facilities Enforcement Office with the Office of Site Remediation Enforcement. Given that the missions of the two offices are similar, and oftentimes in the Region one person can simultaneously be working on both private and Federal sites, the need for an entire headquarters office dedicated to Federal Facilities Enforcement is inefficient. Passback funds the combined office at \$96 million.

**State Revolving Funds.** Passback provides a total of \$2.253 billion for the Clean Water (\$1.391 billion) and Drinking Water (\$862 million) SRFs. Any proposals to reduce the SRF funding as an offset in appeals will need to be well justified and consistent with Administration policy.

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**Office of Research and Development (ORD).** Across all accounts, Passback provides \$290 million for ORD program projects. EPA is to reconfigure and restructure its activities to support the Administration's priority of reducing burdens related to certain regulations as it relates to scientific research and development performed by ORD's workforce. OMB looks forward to working with EPA in this process of prioritization of specific intramural research activities, such as those that are tied to environmental statutes (e.g., air quality management via NAAQS, toxic chemical screening via TSCA). This level within ORD does not include funding for Science to Achieve Results (STAR) grants. ORD should focus its resources on intramural activities that are either related to statutory requirements or that are related to basic research inquiries in the environmental and human health sciences. Passback includes the following funding levels:

- **Human Health Risk Assessment (S&T).** Passback provides \$27 million. OMB appreciates the progress made towards more transparent and focused hazard identification and dose-response assessment under the Integrated Risk Information System (IRIS) program. ORD should continue assessing the most effective methods to accomplish the mission of this program. ORD should consider program implementation recommendations from the GAO 2017 High Risk Report.
- **Research: Air, Climate and Energy.** Passback provides \$46 million. As noted above, STAR grants are not funded in Passback. Additionally, no funding is provided for ORD's contribution to the U.S. Global Change Research Program (GCRP).
- **Research: Chemical Safety and Sustainability.** Passback provides \$62 million. ORD should realize efficiencies between the mission of this research program area and the chemical screening mandates under the Frank R. Lautenberg Chemical Safety for the 21<sup>st</sup> Century Act. Additionally, research in the endocrine disruptor field is scaled back, keeping with the proposed elimination of this program within OCSP.

**Categorical Grants.** Passback provides a total of \$728 million for EPA's Categorical Grants. This funding level includes the elimination of the Beaches Protection, Radon, and Multi-purpose grants and substantially reduces other voluntary programs. If desired, EPA may propose an alternate allocation within the categorical grant topline to further reduce funding for voluntary state activities and increase funding for grants that support statutorily mandated state activities. Any proposed alternate approach should avoid creating unfunded federal mandates.

**Geographic Programs.** Passback reduces or eliminates EPA Geographic Programs, providing a total of \$19 million. Limited funding is retained to maintain offices and coordination roles required under the Clean Water Act. Geographic programs reporting no FTEs and those not explicitly required under the Clean Water Act are eliminated.

**Hazardous Substance Superfund Account.** Passback funds the Hazardous Substance Superfund Account at \$747 million. The reduction includes significant reductions to the Superfund cleanup programs with corresponding reductions to the non-cleanup programs. EPA is encouraged to focus on activities that bring human exposure and groundwater migration under control while scaling back assessment activities, grants to communities, and revisions to existing guidance documents.



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**Program Eliminations.** EPA programs and activities for elimination include voluntary programs, regulatory programs, functions of activities that can be absorbed into other programs, and low-priority grants. The following 38 programs are not funded in Passback:

- Alaska Native Villages
- Beach/Fish Program and Grants
- Brownfields Projects Grants
- Clean Power Plan (CPP) Implementation
- Climate Voluntary Partnership Programs (14 programs)
- Diesel Emission Reduction Act Grant Program (DERA)
- Endocrine Disruptor Screening Program
- Energy Star
- Environmental Education
- Environmental Justice
- Geographic Program: Lake Champlain
- Geographic Program: Long Island Sound
- Geographic Program: San Francisco Bay
- Geographic Program: South Florida
- Global Change Research
- Mexico Border Grants
- Multi-purpose Grants
- Office of Public Engagement
- Radon Program
- Science to Achieve Results (STAR) Research Grants
- Small Minority Business Assistance
- State Indoor Radon Grants
- Targeted Airshed Grants
- US Mexico Border Program
- WaterSense

### INFRASTRUCTURE INITIATIVE

The President has consistently emphasized that one of his top priorities is modernizing the outdated infrastructure that the American public depends upon. Under the direction of the National Economic Council (NEC), the President has tapped a number of infrastructure experts, inside and outside the government, to evaluate investment options in transformative projects along with common-sense regulatory, administrative, organizational, and policy changes to encourage investment and speed project delivery. The goal of this effort is to maximize the return to the Nation and exercise exemplary stewardship. Both spending and tax policies are under consideration, though agencies should not expect an increase in their 2018 discretionary toplines. The NEC and OMB will reach out to the agencies in the coming weeks/months to discuss next steps on the initiative.

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### II. APPEALS

If you wish to appeal any policy, program, or item in this Passback, please submit your appeal to OMB in writing, and signed by your Administrator, no later than **close of business on Wednesday, March 1, 2017**. Please ensure any appeal is consistent with campaign or other policy statements. Any requests for increases or reallocation of funding within the Agency's topline must be prioritized and offset by proposals for real discretionary and outlay savings within the Agency such as alternative funding cuts, balance cancellations, or viable user fees.

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## ENVIRONMENTAL PROTECTION AGENCY

### FY 2018 DISCRETIONARY FUNDING (Budget Authority in Millions)

	2016 Enacted	2017 Annualized CR	2018 Passback
<b>Operating Budget</b>			
Science and Technology	735	733	498
Environmental Programs and Management	2,635	2,630	1,863
E-Manifest	4	4	0
Buildings and Facilities	42	42	40
Inspector General	41	41	41
Oil Spill Response	18	18	16
<b>Subtotal: Operating Budget</b>	<b>3,476</b>	<b>3,469</b>	<b>2,458</b>
<b>State and Tribal Assistance Grants</b>			
Clean Water State Revolving Fund	1,394	1,391	1,391
Drinking Water State Revolving Fund	863	962	862
Brownfields	80	80	0
Categorical Grants	1,081	1,079	728
Diesel Grants	50	50	0
Targeted Watershed Grants	30	30	0
Targeted Airshed Grants	20	20	0
<b>Subtotal: STAG</b>	<b>3,518</b>	<b>3,611</b>	<b>2,981</b>
<b>Other Accounts</b>			
Hazardous Substance Superfund	1,094	1,092	747
Leaking Underground Storage Tanks	92	92	70
WFLA	0	20	20
<b>Subtotal: Trust Funds</b>	<b>1,186</b>	<b>1,204</b>	<b>836</b>
<b>Subtotal: Agency-Wide</b>	<b>8,180</b>	<b>8,284</b>	<b>6,275</b>
<i>Cancellations</i>	-40	-40	-120
<i>Workforce Adjustments</i>	--	--	--
<i>Working Capital Fund Reduction</i>	--	--	--
<b>TOTAL: Agency-Wide</b>	<b>8,140</b>	<b>8,244</b>	<b>6,155</b>

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### III. OTHER DISCRETIONARY FUNDING DECISIONS AND GUIDANCE

Passback provides additional guidance or information below. Additionally, a full program project table is provided in Appendix A.

**Acquisition Management.** Passback sets Acquisition Management at \$41 million, inclusive of EPM and Superfund appropriations. Funding reductions reflect the anticipated completion of DATA Act implementation and a reduced workload as contracting dollars decline. In FY 2018, EPA is encouraged to aggressively pursue strategic sourcing opportunities. No later than June 15, 2017, please provide OMB with an options paper for achieving greater alignment of the Regional Office contracting function with agency- and government-wide procurement policies. One option should evaluate the merits of having the regional contracting staff report directly to OAM.

**Brownfields.** Passback eliminates funding for Brownfields Projects grants. EPA should retain only the number of HQ and Regional Office FTE necessary to close previously awarded grants and to continue providing technical assistance at current or decreasing levels to state and local partners.

**Cancellation of Unobligated Balances.** Passback plans for cancellation of \$120 million in unobligated balances in FY 2018.

**Central Planning, Budgeting, and Finance.** Passback funds the Office of the Chief Financial Officer (OCFO) at \$77 million. The funding reduction is largely associated with the need for EPA to reduce redundancies in OCFO operations and a lower staffing need due to overall reductions in EPA's budget. Additional reductions include the closure of the OCFO E-Enterprise office, a -\$5M reduction in contracts, and an expectation that EPA will recoup its O&M costs for the BFL0B from agencies participating in its shared service.

**Children's Health.** Passback provides \$2 million. OMB directs EPA to consolidate the Office of Children's Health Protection (OCHP) into the Office of Policy. While this consolidation entails a significant reduction in resources for contracts and expenses related to children's health, Passback provides funding to carry out OCHP's mission centrally through the Office of Policy.

**Clean Water Act Programs.** Within the Office of Water's Clean Water Act-related programs, EPA is to prioritize functions required by statute. EPA is to analyze future workload demands, including those required to implement changes to the Clean Water Rule (WOTUS). Meeting these demands at the Passback funding levels will require trade-offs including eliminations of programs that can be managed by states or other entities (e.g., WaterSense, Beach programs), as well as reductions to program areas with voluntary elements (e.g., watershed/nonpoint source management, Urban Waters programs). Significant reductions were also taken to grants within EPM (e.g. National Estuary Program grants), which mirrors the overall goal of decreased federal involvement/subsidization of local programs.

#### **Climate Protection Program (EPM)**

- GHG Reporting, Accounting, and Modeling. Passback provides \$24 million to be used for the Greenhouse Reporting Program (GHGRP), GHG accounting, and modeling and analysis.



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- Partnership Programs. Passback includes \$5 million for the closeout or transfer of all of the Climate Protection Program voluntary partnership programs, recognizing that achieving the outcome envisioned in Passback may require adjustments to authorizing legislation. EPA should begin developing legislative options and associated groundwork for transferring ownership and implementation of Energy Star to a non-governmental entity. EPA should also explore similar transfer opportunities for the remaining partnership programs as well.

**Diesel Emissions Reduction Act Grant Program (DERA).** Passback does not fund the DERA program. Other sources of federal and state funding are available to fund high priority projects, and the legacy fleet will eventually be replaced by vehicles that use newer, cleaner engines. One possible source of funding was established as part of the Volkswagen settlements – specifically the mitigation trust fund totaling \$2.7 billion over ten years to reduce NOx emissions.

**e-Manifest.** Passback does not include a request for e-Manifest appropriations in FY 2018. EPA is to utilize its unobligated reserves to complete the first version of the e-Manifest system and begin operations.

**Endocrine Disruptor Screening Program.** Passback eliminates the Endocrine Disruptor Screening Program (EDSP), but retains \$445,000 in FY 2018 for any necessary close out activities. The pivot underway in EDSP to use computational and other high-throughput evaluation techniques, while important to the future of chemical risk assessment at EPA, has eclipsed efforts by the program to deliver on its original mission. Please schedule a meeting with OMB (that includes representatives of OCCSP, ORD, OW, and OA) no later than June 15, 2017 to discuss how EPA will integrate endocrine disruptor screening into its existing programs for risk assessment and risk regulation.

**Environmental Education.** Passback eliminates the Office of Environmental Education, but retains \$555,000 in FY 2018 for any necessary close-out activities. Operating under the restrictive terms of the National Environmental Education Act of 1990 has inhibited EPA's ability to perform in this area. EPA should reinstate its previous policy to fund environmental education within the base budgets of its environmental media programs.

**Facilities Infrastructure and Operations.** Across all accounts, Passback provides \$454 million for this program project. Reductions to the Facilities Infrastructure and Operations programs are as follows:

- Buildings and Facilities (B&F). Passback provides EPA with \$33 million in this account. Within this funding level, EPA shall complete in FY 2018 the laboratory consolidations in Corvallis, OR and Lakewood, CO, while also aiming to make substantial progress on the laboratory consolidation in Athens, GA. OMB requests an update on these three consolidation projects, including the amount of FY 2017 funds that have been spent on these projects, as well as the FY 2018 funds necessary for completion, no later than March 31 2017.
- Environmental Programs and Management (EPM) and Science and Technology (S&T). Passback provides EPA with \$304 million in the EPM account and \$69 million in the S&T account. This funding incorporates rent cost avoidance from several regional and Headquarters offices (Potomac Yards North, Region 1, Region 5, and Region 9), the decommissioning of part of the Las Vegas laboratory, and the release of the Headquarters warehouse in Washington, DC. It further assumes rent cost avoidance from the ongoing Region 2 office consolidation project that

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EPA is directed to prioritize for completion in FY 2017. If funds need to be reallocated between the EPM and S&T accounts, EPA may propose an alternative breakdown in its appeals submission.

- EPA is also to dispose of its owned facility space in Grosse Ile, MI by the end of FY 2018.

**Federal Vehicle and Fuels Standards and Certification.** Passback provides \$76 million for this program project, and EPA may need to deprioritize implementation of existing mobile source GHG regulations. Consistent with the elimination of other voluntary climate-related programs, SmartWay is not funded in Passback.

**Homeland Security.** Passback funds the Homeland Security programs at \$63 million. Significant reductions were made to the Water Security Initiative, Lab Response Network, and Preparedness Response & Predeployment activities, with modest reductions across the remaining Homeland activities.

**Human Resources Management.** Staffing in the HRM program project is maintained at FY 2016 end-of-year actual utilization (223 FTE). Nonpay resources are reduced modestly to align with lower FY 2016 Actuals. In anticipation of a need for a fully operational human resources program to carry out buyouts and RIFs, EPA may not reallocate funding or FTE from Human Resources Management for appeals or otherwise without explicit approval from OMB.

**Las Vegas Laboratory.** OMB concurs with EPA not to support a build-to-suit lease when EPA's current lease expires in September 2020. EPA is to provide OMB with updated information regarding an alternative to extending the lease at the University of Nevada, Las Vegas, such as the relocation of operations and workforce to outside of Las Vegas. Please provide initial estimates of cost, viability, and any potential mission-related impacts associated with the best options for such a move, whether to Montgomery, AL or elsewhere within EPA's existing footprint. OMB requests this information, and any other update related to the current Las Vegas lease, to be submitted by March 31, 2017.

**Master Planning, EPA Facilities.** EPA shall commence the strategic review with OMB and GSA to analyze the needs of the Agency regarding its physical footprint, including that of office, warehouse, and laboratory space, as soon as possible. Given proposed budgetary and FTE reductions, EPA will need to comprehensively review its current occupancy agreements with GSA to reflect programmatic and workforce changes within the new Administration. EPA shall engage with OMB and GSA on its strategic master planning, with a focus on minimizing the amount of unused leased space.

**Office of the Administrator.** Passback provides \$68 million in total for the Office of the Administrator.

- Office of Public Engagement (EPM). The Passback eliminates the office of the Associate Administrator for Public Engagement and Environmental Education and the Office of Public Engagement.
- Small Minority Business Assistance (EPM). The Passback eliminates the Small Minority Business Assistance program and shifts responsibilities to the Small Business Ombudsman and acquisition staff.

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**Office of Environmental Information.** Passback provides \$116 million for the Office of Environmental Information. EPA should evaluate projects that may be eligible under the Working Capital Fund and use retained earnings to cover necessary shortfalls.

**Office of the Inspector General (OIG).** Passback provides a combined total of \$46 million for the OIG. The reduced level reflects lower workload in the Superfund program in recent years, as well as expectations for a reduction in workload associated with the Chemical Safety Board and significantly reduced EPA operating programs. OMB expects that achieving this level in FY 2018 will require workforce reduction and asks the office to prepare hiring restrictions, buyouts, and other options accordingly. While OMB is carrying \$41 million in the OIG's core account and \$5 million in the Superfund account, the OIG may propose an alternative allocation between the OIG and Superfund accounts. Any such proposal should be submitted to OMB by March 3, 2017.

**Office of International and Tribal Affairs.** Passback dissolves OITA as its own NPM, reorganizing remaining functions under the Office of the Administrator. Funding levels for the program projects International Sources of Pollution, Trade and Governance, Tribal – Capacity Building, and U.S. – Mexico Border anticipate the:

- Elimination of the OITA Immediate Office and the Office of Management & International Services (OMIS);
- Consolidation of the Offices of Global Affairs & Policy (OGAP) and Regional & Bilateral Affairs (ORBA) into a single Office for International Affairs;
- Reduction of 5 FTE from the pool of Regional Office tribal coordinators; and
- Discontinuation of the tribal ecoAmbassadors and U.S. – Mexico Border programs (see separate bulleted item).

**Office of Radiation and Indoor Air (ORIA).** ORIA is funded at \$25 million. EPA is to consolidate lower-priority ORIA activities, particularly in areas where EPA has succeeded in building the capacity of states to carry out non-regulatory programs. Similarly, the Indoor Air: Radon Program is eliminated, along with State Indoor Radon Categorical Grants. However, \$0.5 million is retained in the Indoor Air: Radon Program for any necessary closeout activities. The Radon Program has existed since 1988 and states are well equipped to continue to implement state programs. No funding is provided for ORIA program projects in the S&T account. However, if EPA finds having the existing multiple program project structure useful, OMB is open to shifting funds from EPM to the S&T program projects. Any such proposal should be submitted to OMB by March 3, 2017. Any shift between accounts should not change the overall ORIA funding level.

**Oil Spill Prevention, Preparedness, and Response.** Passback includes \$12 million for the Oil Spill Prevention, Preparedness, and Response program. A reduction in regulatory support and inspection staff drives the funding reduction for this program.

**Payroll.** At the FTE levels in Passback, OMB estimates EPA will require approximately \$2.07 billion for payroll, including costs associated with voluntary buyouts or reductions in force (RIFs). This estimate includes a 1.9 percent civilian pay raise for FY 2018, to go into effect on the first pay period of January 2018. EPA is directed to conduct its own assessment of payroll needs by program project at FTE levels in the Passback. OMB will provide technical



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assistance related to assumptions and modeling approach.

**Pesticide Programs.** Passback funds the Office of Pesticide Programs at \$93 million, inclusive of EPM and S&T funding. Sizeable unobligated balances in EPA accounts 068-5374 and 068-4310 should offset reductions as necessary. Additionally, any potential additional fee collections from the upcoming reauthorization of PRLA could help offset reductions to the program.

**Program Evaluations.** OMB encourages EPA to retain a strong evaluation community and to identify the most appropriate tools and methods (e.g., impact evaluations, lean activities, research, statistics, or other analytics) to answer key program evaluation questions. OMB encourages EPA to develop a learning agenda to help manage this process, as discussed in Section 210 of OMB Circular A-111.

**Regional Consolidation.** Passback assumes consolidation of some regional offices. The Passback level therefore includes a reduction of at least 50 administrative program FTE as an initial step to consolidate regional offices. The reduction in administrative personnel is the first step in combining enabling support functions with the expectation that the Agency will realize efficiencies through consolidation. EPA is to develop a plan of action for reconfiguring EPA's ten regions into eight. EPA is to work with OMB on this effort and to report the results in a comprehensive plan to OMB by June 15, 2017. In developing the plan, EPA is to consider releasing costly rental space in favor of leasing space in less expensive locations and operating field offices. The plan is also to include an analysis of the redistribution of FTE resources to take broader advantage of shared support opportunities within the enabling support programs.

**State and Local Prevention and Preparedness.** Passback includes \$12 million for the State and Local Prevention and Preparedness program. This funding level reflects the completion of actions set forth under Executive Order 13650 on Improving Chemical Facility Safety and Security along with a corresponding reduction to regulatory support and inspection FTE.

**Superfund: Emergency Response and Removal.** Passback provides \$150 million for the Superfund: Emergency Response and Removal program. EPA's ability to quickly respond to multiple simultaneous emergencies is crucial to an effective Federal response. The funding reductions reflect the elimination of grants, significant reductions to non-time critical removal actions, and reductions to non-cleanup support contracts. No FTE reductions are to be applied to the On-Scene Coordinator FTE pool.

**Superfund: Remedial.** Passback funds the Superfund: Remedial program at \$344 million. Of this amount, no less than \$150 million in appropriated funds is to be allotted to the remedial action allowance. None of the funds made available are to be used to finalize or enforce the proposed CERCLA §108(b) rulemaking on the hardrock mining industry, as that rule is currently written.

**Supplemental Budget Guidance.** During the FY 2018 Current Services President's Budget development process, OMB requested supplemental materials and information to be submitted in addition to what is regularly submitted through the government-wide budget guidance. OMB plans to request similar supplemental information during the full FY 2018 budget development.



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**Toxic Chemicals: Chemical Risk Review and Reduction.** In anticipation of EPA collecting \$15 million in TSCA fees in FY 2018, Passback reduces funding in FY 2018 by -\$12 million from FY 2016 Enacted. The combination of fee collections and general revenue appropriations at the Passback level will provide OPPT with a total funding level in line with its current base budget. EPA is encouraged to promulgate the TSCA fee rule as soon as possible and to share updated budget projections as TSCA reform implementation gets underway. Passback also contemplates the elimination of the three FTE serving in Regional Offices as well as a consolidation of OPPT's Outreach and Liaison Branches.

**Toxic Release Inventory.** Passback funds TRI at \$11 million. Given the maturity of the TRI program and its reorganization under OPPT, the TRI Communications and Outreach and Regulatory Development Branches are eliminated to avoid duplication and inefficiencies.

**Underground Storage Tank Programs.** Passback includes \$76 million for the Underground Storage Tank programs. This funding reduction should not impact the base amount distributed to each State and Territory, but the available balance to be distributed on a needs basis may need to be adjusted.

**U.S. – Mexico Border.** Passback eliminates the U.S. – Mexico Border EPM program. EPA should continue to support environmental protection activities in the Border region by utilizing base funding from EPA program offices, such as OEM, ORCR, OAR, and OW. Please provide OMB with a crosscutting summary of EPA spending—both intra- and extramural—on activities in the Border region in FY 2017 and FY 2018 by October 15<sup>th</sup> of each year.

**WIFIA.** Passback provides a total of \$20 billion for the WIFIA program account. Within this amount, Passback provides \$3 million for administrative expenses and \$17 million in credit subsidy.

**Workforce Planning.** EPA must take immediate steps to adjust its workforce to reflect anticipated funding levels. The hiring freeze shall remain in place at EPA until further notice. EPA is directed to immediately commence development of a comprehensive Workforce Reduction Plan. EPA should chart a workforce reduction path that seeks to align capacity with Administration priorities, retain high performers and critical institutional knowledge, take advantage of opportunities for more efficient practices and organizational structures, minimize separation costs, and enable adjustment to final appropriation levels without major disruptions to the agency's work. An initial draft of the Plan is due to OMB on March 31, 2017. EPA should begin planning implementation of specific components of the plan (e.g., preparing VERA/VSIIP authority requests and RIF plans) as soon as practicable. This should include actions in FY 2017 to prepare personnel files and identify opportunities for buyouts or early retirement. No later than April 15, 2017, OMB will meet with EPA to discuss the initial draft of the Workforce Reduction Plan, progress to-date in planning specific components, and how OMB can assist with expediting implementation.

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### IV. MANAGEMENT ISSUES

While these items do not need to be addressed for development of the FY 2018 budget blueprint, we have included them to begin initial agency actions on key management areas of focus.

**Buy and Manage Like a Business.** To the maximum extent practicable, as reflected in the Federal Acquisition Regulation (FAR), especially for the acquisition of common goods and services, agencies shall use existing contract solutions such as: a) Federal Supply Schedules; b) Government-wide acquisition contracts; c) multi-agency contracts; d) and any other procurement instruments intended for use by multiple agencies. In addition, by May 29, 2017, for those solutions that have been identified as “Best in Class” (BIC) solutions (see MAX link below for details), agencies shall review existing targets, if established, and submit a plan to OMB to aggressively increase spending through current and future BIC solutions to the maximum extent practicable, consistent with existing policies. In cases where transition to the BIC solution(s) is not practicable, or the agency does not plan to significantly increase use of the solution(s), the plan should include an analysis of the existing agency solution(s) and demonstrate that their current solution(s) is more efficient and effective than the BIC solution. This will help the government continuously improve existing and future BIC solutions so they leverage the vast buying power of the federal government and deliver maximum value. In addition, agencies shall control spending by better managing demand and consumption (e.g., use standard configurations for common requirements, participate in volume buying events, and apply best commercial buying practices) to reduce unnecessary spending. (See MAX for more detail on BIC solutions, along with evaluation criteria and guidance: <https://community.max.gov/x/IRV8S>. Plan template will also be made available on this page. Plans should be submitted to [mromley@omb.eop.gov](mailto:mromley@omb.eop.gov).)

By April 24, 2017, EPA must submit to OMB a plan to consolidate information technology infrastructure in the areas of wireless devices/services, hardware, software, and network services and utilize approved solutions. See MAX for the plan template and submission information: <https://community.max.gov/x/IRV8S>.

### Implementing Cybersecurity.

- Continuous Diagnostics and Mitigation (CDM) Phase 1. In FY 2018, OMB is reviewing options for funding Task Order 2 Software License Maintenance, Dashboard costs, and Delivery Order 1 costs. The RMO will provide further information soon. Beyond these specific costs, agencies should seek to fund CDM training, governance support, and human resources needed for implementation to the extent possible. In addition to O&M for the licenses originally purchased by DHS, agencies should protect investments for additional licenses to cover further identified hardware and software assets on their networks.
- High Value Assets. Agencies should protect investments in information technology systems that support, host, or connect with agencies identified High Value Assets (HVAAs), as outlined in M-17-09.
- Agency Risk Assessment. Agencies shall provide a cybersecurity risk management report to OMB. This report shall include the following:
  - The mitigation and acceptance choices made by each Agency Head including strategic, operational, and budget considerations. Any accepted risk must be documented.

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- A description of the Agency's plan to implement the NIST Cybersecurity Framework.
- OMB will follow up with further guidance and a specific date in the coming weeks.

**Modernizing Legacy Information Technology.** By April 3, 2017, EPA must submit to OMB a modernization plan to retire or replace at least one high priority legacy IT system beginning in FY 2018 through the use of cloud or shared services. Agencies are encouraged to focus their initial efforts on their identified high value assets. The total estimated project cost must fit within topline guidance levels and shall not assume an increase in out-year IT resources. The planned transition should not exceed two years, and shall not be a modernization that is already in progress as of January 31, 2017. The project must modernize a system(s) that is currently designated as "major" on the IT Dashboard, comply with relevant cyber security standards, demonstrate improvements in operational effectiveness, and incorporate sound estimates of annual cost avoidance. Joint CIO/CFO-approved plans must be completed in the format of the template available on MAX: <https://collect.max.gov/x/cl2gXV>. Agencies are encouraged to consult with OMB's Office of the Federal Chief Information Officer/E-Government and Information Technology in the formulation of their plans, and must work with Resource Management Offices to obtain concurrence and develop justification materials for the FY 2018 President's Budget.

**Program Reduction Expenses.** EPA should work with its OMB examiners to prepare plans and calculate estimates on how it will reduce personnel, real property and other costs to align with the proposed budget level. This should include providing estimated costs for severance (<https://www.opm.gov/policy-data-oversight/workforce-restructuring/reductions-in-force/#url=Severance+Pay+Estimation+Worksheets>), separation incentives, lease termination, property disposal/document archive, and related program close-out expenses.

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### V. KEY AGENCY PASSBACK DATES

- Wednesday, March 1, 2017 – Agency Appeal Due
- March 3, 2017
  - Alternative allocation proposals for OIG
  - Alternative allocation proposals for ORIA
- March 31, 2017
  - Workforce Planning initial draft plan
  - Laboratory consolidations update
  - Las Vegas facility update
- April 3, 2017
  - Submit to OMB a modernization plan to retire or replace legacy IT system
- April 15, 2017 (no later than)
  - OMB meeting to discuss initial draft of the Workforce Reduction Plan
- April 24, 2017
  - Submit to OMB a plan to consolidate information technology infrastructure
- May 29, 2017
  - Submit to OMB a plan to increase spending through current and future BIC solutions
- June 15, 2017
  - Regional Consolidation plan
  - Acquisition Management Regional Office Alignment options paper
  - EDSP meeting
- October 15, 2017 and 2018 – Crosscut of U.S. – Mexico Border funding



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## APPENDIX A – Program Project Table

### Environmental Protection Agency FY 2018 Passback Summary

Account	Program Project	FY 2016 Enacted (\$K)	FY 2017 Annualized CR (\$K)	FY 2018 Passback (\$K)	FY 2018 Passback (FTE)
EPM	Acquisition Management	30,464	30,406	26,728	140.1
EPM	Administrative Law	4,774	4,765	4,153	23.8
EPM	Alternative Dispute Resolution	1,045	1,043	657	4.0
EPM	Beach / Fish Programs	1,982	1,978	155	0.0
EPM	Brownfields	25,593	25,544	14,729	82.6
EPM	Central Planning, Budgeting, and Finance	72,184	72,047	64,198	276.4
EPM	Children and Other Sensitive Populations: Agency Coordination	6,548	6,536	2,061	6.9
EPM	Civil Enforcement	171,377	171,051	153,423	954.7
EPM	Civil Rights / Title VI Compliance	10,071	10,052	9,051	53.3
EPM	Clean Air Allowance Trading Programs	16,143	16,112	15,241	63.7
EPM	Climate Protection Program	95,436	95,255	29,169	54.7
EPM	Compliance Monitoring	101,665	101,472	88,674	443.9
EPM	Congressional, Intergovernmental, External Relations	0	0	0	0.0
EPM	Criminal Enforcement	46,313	46,225	43,562	213.5
EPM	Drinking Water Programs	96,525	96,342	90,182	470.3
EPM	Endocrine Disruptors	7,553	7,539	445	0.0
EPM	Environmental Education	8,702	8,685	555	0.0
EPM	Environmental Justice	6,737	6,724	1,500	0.0
EPM	Exchange Network	17,016	16,984	11,795	30.2
EPM	Executive Management and Operations	47,019	46,930	37,283	221.6
EPM	Facilities Infrastructure and Operations	311,540	310,948	304,141	296.4
EPM	Federal Stationary Source Regulations	22,943	22,899	21,090	89.1
EPM	Federal Support for Air Quality Management	124,743	124,506	119,396	715.7
EPM	Financial Assistance Grants / IAG Management	25,296	25,248	18,774	100.5
EPM	Geographic Program: Chesapeake Bay	73,000	72,861	5,000	10.0

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EPM	Geographic Program: Gulf of Mexico	4,482	4,473	1,000	3.0
EPM	Geographic Program: Lake Champlain	4,399	4,391	0	0.0
EPM	Geographic Program: Long Island Sound	3,940	3,933	0	0.0
EPM	Geographic Program: Other	7,393	7,379	1,000	2.0
EPM	Geographic Program: Puget Sound	28,000	27,947	2,000	2.0
EPM	Geographic Program: San Francisco Bay	4,819	4,810	0	0.0
EPM	Geographic Program: South Florida	1,704	1,701	0	0.0
EPM	Great Lakes Restoration	300,000	299,430	10,000	15.0
EPM	Homeland Security: Communication and Information	3,877	3,870	3,519	11.3
EPM	Homeland Security: Critical Infrastructure Protection	972	970	882	1.0
EPM	Homeland Security: Protection of EPA Personnel and Infrastructure	5,346	5,336	4,986	0.0
EPM	Human Resources Management	43,267	43,185	41,707	202.0
EPM	Indoor Air: Radon Program	2,910	2,904	505	0.0
EPM	Information Security	28,186	28,132	12,001	12.8
EPM	Integrated Environmental Strategies	11,491	11,469	8,441	43.0
EPM	International Sources of Pollution	6,430	6,418	6,126	30.2
EPM	IT / Data Management	83,950	83,790	70,216	263.5
EPM	Legal Advice: Environmental Program	48,565	48,473	45,590	242.0
EPM	Legal Advice: Support Program	15,480	15,451	14,198	68.0
EPM	LUST / UST	11,295	11,274	8,079	43.2
EPM	Marine Pollution	10,161	10,142	8,627	35.0
EPM	National Estuary Program / Coastal Waterways	26,723	26,672	17,620	33.0
EPM	NEPA Implementation	16,210	16,179	13,869	82.8
EPM	Pesticides: Protect Human Health from Pesticide Risk	57,809	57,699	50,948	304.2
EPM	Pesticides: Protect the Environment from Pesticide Risk	37,293	37,222	32,139	189.1
EPM	Pesticides: Realize the Value of Pesticide Availability	6,086	6,074	5,039	33.5
EPM	Pollution Prevention Program	13,140	13,115	7,223	38.4
EPM	Radiation: Protection	8,443	8,427	8,155	32.6
EPM	Radiation: Response Preparedness	2,550	2,545	2,265	11.9
EPM	RCRA: Corrective Action	36,930	36,860	32,503	172.0
EPM	RCRA: Waste Management	59,098	58,986	52,616	249.0
EPM	RCRA: Waste Minimization & Recycling	8,849	8,832	7,125	30.0
EPM	Reduce Risks from Indoor Air	13,733	13,707	8,233	28.9

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EPM	Regional Science and Technology	1,532	1,529	1,149	2.0
EPM	Regulatory/Economic-Management and Analysis	14,574	14,546	11,298	57.0
EPM	Science Advisory Board	3,882	3,875	3,575	18.7
EPM	Science Policy and Biotechnology	1,174	1,172	1,189	4.0
EPM	Small Business Ombudsman	1,999	1,995	1,967	4.6
EPM	Small Minority Business Assistance	1,670	1,667	400	0.0
EPM	State and Local Prevention and Preparedness	15,318	15,289	12,251	58.9
EPM	Stratospheric Ozone: Domestic Programs	4,915	4,906	4,441	21.0
EPM	Stratospheric Ozone: Multilateral Fund	8,928	8,911	8,036	0.0
EPM	Surface Water Protection	200,256	199,875	180,533	937.1
EPM	Toxic Substances: Chemical Risk Management	0	0	0	0.0
EPM	Toxic Substances: Chemical Risk Review and Reduction	58,554	58,443	45,940	185.1
EPM	Toxic Substances: Lead Risk Reduction Program	13,275	13,250	9,358	38.9
EPM	Trade and Governance	5,907	5,896	3,037	9.0
EPM	TRI / Right to Know	13,882	13,856	10,684	28.4
EPM	Tribal - Capacity Building	14,385	14,358	11,784	72.0
EPM	US Mexico Border	3,063	3,057	275	0.0
EPM	[Water Quality Research and Support Grants (Congressionally Mandated)]	12,700	12,676	0	0.0
EPM	Wetlands	21,065	21,025	18,992	120.0
<b>EPM Total</b>		<b>2,635,279</b>	<b>2,630,269</b>	<b>1,863,483</b>	<b>7,993.0</b>
E-Man	E-Manifest	3,674	3,667	0	0.0
<b>E-Man Total</b>		<b>3,674</b>	<b>3,667</b>	<b>0</b>	<b>0.0</b>
S&T	Clean Air Allowance Trading Programs	7,808	7,793	6,239	0.0
S&T	Climate Protection Program	8,018	8,003	6,099	29.6
S&T	Drinking Water Programs	3,519	3,512	3,284	23.0
S&T	Facilities Infrastructure and Operations	68,339	68,209	69,289	0.0
S&T	Federal Support for Air Quality Management	7,467	7,453	3,967	16.1
S&T	Federal Vehicle and Fuels Standards and Certification	93,247	93,070	76,045	261.3
S&T	Forensics Support	13,669	13,643	10,624	48.8
S&T	Homeland Security: Critical Infrastructure Protection	10,517	10,497	7,262	19.3

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S&T	Homeland Security: Preparedness, Response, and Recovery	26,054	26,004	21,497	55.5
S&T	Homeland Security: Protection of EPA Personnel and Infrastructure	552	551	500	0.0
S&T	Human Health Risk Assessment	37,602	37,531	27,006	120.6
S&T	Indoor Air: Radon Program	172	172	0	0.0
S&T	IT / Data Management	3,089	3,083	2,726	10.3
S&T	Pesticides: Protect Human Health from Pesticide Risk	3,128	3,122	2,275	11.3
S&T	Pesticides: Protect the Environment from Pesticide Risk	2,328	2,324	2,194	7.3
S&T	Pesticides: Realize the Value of Pesticide Availability	571	570	527	2.3
S&T	Radiation: Protection	1,835	1,832	1,707	9.1
S&T	Radiation: Response Preparedness	3,781	3,774	3,340	19.6
S&T	Reduce Risks from Indoor Air	209	209	0	0.0
S&T	Research: Air, Climate and Energy	91,906	91,731	45,725	173.8
S&T	Research: Chemical Safety and Sustainability	89,328	89,158	61,784	238.9
S&T	Research: Safe and Sustainable Water Resources	107,434	107,230	70,098	266.4
S&T	Research: National Priorities	14,100	14,073	0	0.0
S&T	Research: Sustainable and Healthy Communities	139,975	139,709	75,832	257.8
<b>S&amp;T Total</b>		<b>734,648</b>	<b>733,251</b>	<b>498,020</b>	<b>1,571.0</b>
B&F	Facilities Infrastructure and Operations	35,641	35,573	33,377	0.0
B&F	Homeland Security: Protection of EPA Personnel and Infrastructure	6,676	6,663	6,176	0.0
<b>B&amp;F Total</b>		<b>42,317</b>	<b>42,237</b>	<b>39,553</b>	<b>0.0</b>
STAG	Brownfields Projects	80,000	79,848	0	0.0
STAG	Categorical Grant: Beaches Protection	9,549	9,531	0	0.0
STAG	Categorical Grant: Brownfields	47,745	47,654	33,358	0.0
STAG	Categorical Grant: Environmental Information	9,646	9,628	6,739	0.0
STAG	Categorical Grant: Evidence-based Compliance & Enforcement	0	0	0	0.0
STAG	Categorical Grant: Hazardous Waste Financial Assistance	99,693	99,503	69,652	0.0
STAG	Categorical Grant: Lead	14,049	14,022	9,816	0.0



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STAG	Categorical Grant: Nonpoint Source (Sec. 319)	164,915	164,601	115,221	0.0
STAG	Categorical Grant: Pesticides Enforcement	18,050	18,016	12,611	0.0
STAG	Categorical Grant: Pesticides Program Implementation	12,701	12,677	8,874	0.0
STAG	Categorical Grant: Pollution Control (Sec. 106)	230,806	230,367	161,257	0.0
STAG	Categorical Grant: Pollution Prevention	4,765	4,756	3,329	0.0
STAG	Categorical Grant: Public Water System Supervision (PWSS)	101,963	101,769	71,238	0.0
STAG	Categorical Grant: Radon	8,051	8,036	0	0.0
STAG	Categorical Grant: State and Local Air Quality Management	228,219	227,785	159,450	0.0
STAG	Categorical Grant: Toxics Substances Compliance	4,919	4,910	3,437	0.0
STAG	Categorical Grant: Tribal Air Quality Management	12,829	12,805	8,963	0.0
STAG	Categorical Grant: Tribal General Assistance Program	65,476	65,352	45,746	0.0
STAG	Categorical Grant: Multi-Media Tribal Assistance Program	0	0	0	0.0
STAG	Categorical Grant: Underground Injection Control (UIC)	10,506	10,486	7,340	0.0
STAG	Categorical Grant: Underground Storage Tanks	1,498	1,495	1,047	0.0
STAG	Categorical Grant: Wetlands Program Development	14,661	14,633	10,243	0.0
STAG	Diesel Emissions Reduction Grant Program	50,000	49,905	0	0.0
STAG	Infrastructure Assistance: Alaska Native Villages (targeted watershed)	20,000	19,962	0	0.0
STAG	Infrastructure Assistance: Clean Water SRF	1,393,887	1,391,237	1,391,237	0.0
STAG	Infrastructure Assistance: Drinking Water SRF	863,233	961,592	861,592	0.0
STAG	Infrastructure Assistance: Mexico Border (targeted watershed)	10,000	9,981	0	0.0
STAG	Categorical Grant: Multipurpose Grants	21,000	20,960	0	0.0
STAG	Targeted Airshed Grants	20,000	19,962	0	0.0
STAG	Categorical Grant: Water Quality Cooperative Agreements	0	0	0	0.0
STAG	Targeted Watersheds	0	0	0	0.0
<b>STAG Total</b>		<b>3,518,161</b>	<b>3,611,473</b>	<b>2,981,150</b>	<b>0.0</b>
WIFIA	Water Infrastructure Finance and Innovation	0	20,000	20,000	12.0
<b>WIFIA Total</b>		<b>0</b>	<b>20,000</b>	<b>20,000</b>	<b>12.0</b>

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LUST	Acquisition Management	145	145	138	0.0
LUST	Central Planning, Budgeting, and Finance	424	423	424	2.5
LUST	Civil Enforcement	620	619	569	2.9
LUST	Facilities Infrastructure and Operations	783	782	785	0.0
LUST	LUST / UST	9,240	9,222	8,867	41.6
LUST	LUST Cooperative Agreements	55,040	54,935	40,040	0.0
LUST	LUST Prevention	25,369	25,321	18,369	0.0
LUST	Research: Sustainable and Healthy Communities	320	319	320	1.8
<b>LUST Total</b>		<b>91,941</b>	<b>91,766</b>	<b>69,512</b>	<b>48.8</b>
OIL	Civil Enforcement	2,413	2,408	2,338	12.9
OIL	Compliance Monitoring	139	139	139	0.9
OIL	Facilities Infrastructure and Operations	584	583	680	0.0
OIL	Oil Spill: Prevention, Preparedness and Response	14,409	14,382	12,138	62.3
OIL	Research: Sustainable and Healthy Communities	664	663	503	0.9
<b>OIL Total</b>		<b>18,209</b>	<b>18,174</b>	<b>15,798</b>	<b>77.0</b>
OIG	Audits, Evaluations, and Investigations	41,489	41,410	40,656	195.0
<b>OIG Total</b>		<b>41,489</b>	<b>41,410</b>	<b>40,656</b>	<b>195.0</b>
FIFRA	Pesticides: Protect Human Health from Pesticide Risk	0	0	0	100.1
FIFRA	Pesticides: Protect the Environment from Pesticide Risk	0	0	0	72.0
FIFRA	Pesticides: Realize the Value of Pesticide Availability	0	0	0	10.5
<b>FIFRA Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>182.6</b>
SF-REIMB	Superfund: Federal Facilities	0	0	0	8.5
SF	Acquisition Management	22,461	22,418	14,035	67.6
SF	Alternative Dispute Resolution	675	674	130	0.0
SF	Audits, Evaluations, and Investigations	9,939	9,920	5,000	18.4
SF-REIMB	Base Realignment and Closure (BRAC)	0	0	0	0.0
SF	Central Planning, Budgeting, and Finance	22,126	22,084	12,180	76.9

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SF	Compliance Monitoring	995	993	606	0.5
SF	Criminal Enforcement	7,124	7,110	4,163	15.8
SF	Environmental Justice	545	544	175	0.0
SF	Exchange Network	1,328	1,325	838	0.0
SF	Facilities Infrastructure and Operations	74,278	74,137	46,037	12.3
SF	Financial Assistance Grants / IAG Management	2,895	2,889	1,598	8.0
SF	Forensics Support	1,089	1,087	708	2.0
SF	Homeland Security: Preparedness, Response, and Recovery	35,276	35,209	17,451	52.5
SF	Homeland Security: Protection of EPA Personnel and Infrastructure	1,086	1,084	542	0.0
SF	Human Health Risk Assessment	2,843	2,838	2,688	13.0
SF	Human Resources Management	6,345	6,333	4,780	21.0
SF	Information Security	6,083	6,071	3,186	0.0
SF	IT / Data Management	13,802	13,776	8,209	20.5
SF	Legal Advice: Environmental Program	578	577	349	1.4
SF	Radiation: Protection	1,985	1,981	1,162	6.0
SF	Research: Sustainable and Healthy Communities	14,032	14,005	5,655	22.6
SF	Superfund: Emergency Response and Removal	181,306	180,961	150,033	224.6
SF	Superfund: Enforcement	150,628	150,342	95,625	578.1
SF	Superfund: EPA Emergency Preparedness	7,636	7,621	7,215	35.7
SF	Superfund: Federal Facilities	21,125	21,085	20,555	97.8
SF	Superfund: Remedial	501,000	500,048	343,966	805.1
SF	Superfund: Federal Facilities Enforcement	6,989	6,976	0	0.0
<b>SF Total</b>		<b>1,094,169</b>	<b>1,092,089</b>	<b>746,886</b>	<b>2,088.3</b>
TSCA	Toxic Substances: Chemical Risk Review and Reduction			0	53.6
<b>TSCA Total</b>				<b>0</b>	<b>53.6</b>
WCF-REIMB	Central Planning, Budgeting, and Finance	0	0	0	38.3
WCF-REIMB	Executive Management and Operations (formerly Congressional, Intergovernmental, External Relations)	0	0	0	2.0

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WCF-REIMB	Facilities Infrastructure and Operations	0	0	0	2.5
WCF-REIMB	Homeland Security: Protection of EPA Personnel and Infrastructure	0	0	0	12.2
WCF-REIMB	IT / Data Management	0	0	0	126.0
<b>WCF-REIMB Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>181.0</b>
WRKFC	Workforce Adjustments				
Cancel	Rescission of Prior Year Funds	(40,000)	(40,000)	(120,000)	
<b>Grand Total</b>		<b>8,139,887</b>	<b>8,244,337</b>	<b>6,155,058</b>	<b>12,396.8</b>





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## ENVIRONMENTAL PROTECTION AGENCY

### FY 2018 PASSBACK

	FY 2016 Enacted	FY 2017 Annualized CR	FY 2018 Passback
Budget Authority (millions)	8,140	8,244	6,155
FTE	15,376	15,376	12,397

#### I. INTRODUCTION, OVERVIEW AND MAJOR FUNDING DECISIONS

##### INTRODUCTION

The Administration's 2018 Budget Blueprint will prioritize rebuilding the military and making critical investments in the Nation's security. It will also identify the savings and efficiencies needed to keep the Nation on a responsible fiscal path.

Your Passback level highlights the tradeoffs and choices inherent in pursuing these goals. This means taking a closer look at the proper role and size of the Federal Government and prioritizing the programs that provide a good return for the taxpayer, as well as those that serve the most critical functions, while consolidating or eliminating duplicative, ineffective or less critical programs. Many difficult decisions were necessary to reach the funding level provided in this Passback, and the Office of Management and Budget (OMB) looks forward to collaborating with you on the allocation of resources within this topline.

EPA is at a critical juncture as it moves into the future. While the Passback level will create many challenges, it also can serve as a catalyst for how the Agency functions in the next ten to twenty years or beyond. By looking ahead and focusing on clean water, clean air, and other core responsibilities, rather than activities that are not required by law, EPA will be able to effectively achieve its mission. OMB looks forward to working with EPA as it develops this strategic vision for the Agency's future.

##### OVERVIEW

Passback provides \$6.155 billion for EPA, a 24 percent reduction below the FY 2016 Enacted level. Significant reductions and eliminations of lower priority work and voluntary programs will help to ensure the availability of funds sufficient to meet core mission requirements. The State Revolving Fund is funded at the FY 2017 Annualized CR level, less the one-time \$100 million CR increase for lead pipe issues. The WIFIA program is also funded at the FY

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2017 Annualized CR level. The Passback level will reduce FTEs across the Agency by up to 3,000 FTE. Some of these will be lost due to attrition, with others leaving through early retirement, buyouts, or reductions in force.

### MAJOR REDUCTIONS AND ELIMINATIONS

The Passback level includes the following major program eliminations and reductions, which are necessary to meet the topline level and which will be discussed in the Budget Blueprint. These eliminations and major reductions will remain unchanged in the final 2018 President's Budget request for the Environmental Protection Agency.

**Workforce.** Passback levels will require significant workforce reduction across EPA. See Section III for additional details regarding payroll and workforce planning requirements.

**Energy and Climate Programs.** Passback largely maintains funding for greenhouse gas reporting, accounting, and basic analytical capabilities, but substantially reduces funding for regulatory and voluntary climate change mitigation programs. See Section III for additional details.

**Office of Enforcement and Compliance Assurance.** Passback provides \$432 million for Enforcement and Compliance. EPA will focus on eliminating potential duplication of enforcement actions carried out by states and prioritize inspections and enforcement activities. EPA is to shift focus to non-delegated programs and encourage states with delegated authorities to assume more active enforcement roles.

- Environmental Justice. OMB supports the work EPA has done on this program in the past and believes the policies in place are strong enough to continue forward. The Passback eliminates the EJ office and assumes any future EJ specific policy work can be transferred to the Office of Policy.
- Civil Enforcement and Compliance Monitoring. Passback funds civil enforcement at \$156 million and compliance monitoring at \$89 million. EPA is to evaluate ways to reduce federal enforcement inspections while keeping a consistent and effective enforcement program.
- Criminal Enforcement. Passback funds criminal enforcement at \$48 million.
- Forensics Support. Forensics Support (S&T and SF) is funded at \$11 million.
- Superfund: Enforcement and Federal Facilities Enforcement. Passback merges the Federal Facilities Enforcement Office with the Office of Site Remediation Enforcement. Given that the missions of the two offices are similar, and oftentimes in the Region one person can simultaneously be working on both private and Federal sites, the need for an entire headquarters office dedicated to Federal Facilities Enforcement is inefficient. Passback funds the combined office at \$96 million.

**State Revolving Funds.** Passback provides a total of \$2.253 billion for the Clean Water (\$1.391 billion) and Drinking Water (\$862 million) SRFs. Any proposals to reduce the SRF funding as an offset in appeals will need to be well justified and consistent with Administration policy.

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**Office of Research and Development (ORD).** Across all accounts, Passback provides \$290 million for ORD program projects. EPA is to reconfigure and restructure its activities to support the Administration's priority of reducing burdens related to certain regulations as it relates to scientific research and development performed by ORD's workforce. OMB looks forward to working with EPA in this process of prioritization of specific intramural research activities, such as those that are tied to environmental statutes (e.g., air quality management via NAAQS, toxic chemical screening via TSCA). This level within ORD does not include funding for Science to Achieve Results (STAR) grants. ORD should focus its resources on intramural activities that are either related to statutory requirements or that are related to basic research inquiries in the environmental and human health sciences. Passback includes the following funding levels:

- Human Health Risk Assessment (S&T). Passback provides \$27 million. OMB appreciates the progress made towards more transparent and focused hazard identification and dose-response assessment under the Integrated Risk Information System (IRIS) program. ORD should continue assessing the most effective methods to accomplish the mission of this program. ORD should consider program implementation recommendations from the GAO 2017 High Risk Report.
- Research: Air, Climate and Energy. Passback provides \$46 million. As noted above, STAR grants are not funded in Passback. Additionally, no funding is provided for ORD's contribution to the U.S. Global Change Research Program (GCRP).
- Research: Chemical Safety and Sustainability. Passback provides \$62 million. ORD should realize efficiencies between the mission of this research program area and the chemical screening mandates under the Frank R. Lautenberg Chemical Safety for the 21<sup>st</sup> Century Act. Additionally, research in the endocrine disruptor field is scaled back, keeping with the proposed elimination of this program within OCSP.

**Categorical Grants.** Passback provides a total of \$728 million for EPA's Categorical Grants. This funding level includes the elimination of the Beaches Protection, Radon, and Multi-purpose grants and substantially reduces other voluntary programs. If desired, EPA may propose an alternate allocation within the categorical grant topline to further reduce funding for voluntary state activities and increase funding for grants that support statutorily mandated state activities. Any proposed alternate approach should avoid creating unfunded federal mandates.

**Geographic Programs.** Passback reduces or eliminates EPA Geographic Programs, providing a total of \$19 million. Limited funding is retained to maintain offices and coordination roles required under the Clean Water Act. Geographic programs reporting no FTEs and those not explicitly required under the Clean Water Act are eliminated.

**Hazardous Substance Superfund Account.** Passback funds the Hazardous Substance Superfund Account at \$747 million. The reduction includes significant reductions to the Superfund cleanup programs with corresponding reductions to the non-cleanup programs. EPA is encouraged to focus on activities that bring human exposure and groundwater migration under control while scaling back assessment activities, grants to communities, and revisions to existing guidance documents.



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**Program Eliminations.** EPA programs and activities for elimination include voluntary programs, regulatory programs, functions of activities that can be absorbed into other programs, and low-priority grants. The following 38 programs are not funded in Passback:

- Alaska Native Villages
- Beach/Fish Program and Grants
- Brownfields Projects Grants
- Clean Power Plan (CPP) Implementation
- Climate Voluntary Partnership Programs (14 programs)
- Diesel Emission Reduction Act Grant Program (DERA)
- Endocrine Disruptor Screening Program
- Energy Star
- Environmental Education
- Environmental Justice
- Geographic Program: Lake Champlain
- Geographic Program: Long Island Sound
- Geographic Program: San Francisco Bay
- Geographic Program: South Florida
- Global Change Research
- Mexico Border Grants
- Multi-purpose Grants
- Office of Public Engagement
- Radon Program
- Science to Achieve Results (STAR) Research Grants
- Small Minority Business Assistance
- State Indoor Radon Grants
- Targeted Airshed Grants
- US Mexico Border Program
- WaterSense

### INFRASTRUCTURE INITIATIVE

The President has consistently emphasized that one of his top priorities is modernizing the outdated infrastructure that the American public depends upon. Under the direction of the National Economic Council (NEC), the President has tapped a number of infrastructure experts, inside and outside the government, to evaluate investment options in transformative projects along with common-sense regulatory, administrative, organizational, and policy changes to encourage investment and speed project delivery. The goal of this effort is to maximize the return to the Nation and exercise exemplary stewardship. Both spending and tax policies are under consideration, though agencies should not expect an increase in their 2018 discretionary toplines. The NEC and OMB will reach out to the agencies in the coming weeks/months to discuss next steps on the initiative.

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### II. APPEALS

If you wish to appeal any policy, program, or item in this Passback, please submit your appeal to OMB in writing, and signed by your Administrator, no later than **close of business on Wednesday, March 1, 2017**. Please ensure any appeal is consistent with campaign or other policy statements. Any requests for increases or reallocation of funding within the Agency's topline must be prioritized and offset by proposals for real discretionary and outlay savings within the Agency such as alternative funding cuts, balance cancellations, or viable user fees.

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## ENVIRONMENTAL PROTECTION AGENCY

### FY 2018 DISCRETIONARY FUNDING (Budget Authority in Millions)

	2016 Enacted	2017 Annualized CR	2018 Passback	
<b>Operating Budget</b>				
Science and Technology	735	733	498	32.9%
Environmental Programs and Management	2,635	2,630	1,863	29.7%
E-Manifest	4	4	0	
Buildings and Facilities	42	42	40	
Inspector General	41	41	41	
Oil Spill Response	18	18	16	
<b>Subtotal: Operating Budget</b>	<b>3,476</b>	<b>3,469</b>	<b>2,458</b>	27.1%
<b>State and Tribal Assistance Grants</b>				
Clean Water State Revolving Fund	1,394	1,391	1,391	—
Drinking Water State Revolving Fund	863	962	862	10.14%
Brownfields	80	80	0	100%
Categorical Grants	1,081	1,079	728	32.15%
Diesel Grants	50	50	0	
Targeted Watershed Grants	30	30	0	
Targeted Airshed Grants	20	20	0	
<b>Subtotal: STAG</b>	<b>3,518</b>	<b>3,611</b>	<b>2,981</b>	17.4%
<b>Other Accounts</b>				
Hazardous Substance Superfund	1,094	1,092	747	31.6%
Leaking Underground Storage Tanks	92	92	70	24.2%
WIFIA	0	20	20	—
<b>Subtotal: Trust Funds</b>	<b>1,186</b>	<b>1,204</b>	<b>836</b>	30.6%
<b>Subtotal: Agency-Wide</b>	<b>8,180</b>	<b>8,284</b>	<b>6,275</b>	24.1%
<i>Cancellations</i>	-40	-40	-120	
<i>Workforce Adjustments</i>	--	--	--	
<i>Working Capital Fund Reduction</i>	--	--	--	
<b>TOTAL: Agency-Wide</b>	<b>8,140</b>	<b>8,244</b>	<b>6,155</b>	

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### III. OTHER DISCRETIONARY FUNDING DECISIONS AND GUIDANCE

Passback provides additional guidance or information below. Additionally, a full program project table is provided in Appendix A.

**Acquisition Management.** Passback sets Acquisition Management at \$41 million, inclusive of EPM and Superfund appropriations. Funding reductions reflect the anticipated completion of DATA Act implementation and a reduced workload as contracting dollars decline. In FY 2018, EPA is encouraged to aggressively pursue strategic sourcing opportunities. No later than June 15, 2017, please provide OMB with an options paper for achieving greater alignment of the Regional Office contracting function with agency- and government-wide procurement policies. One option should evaluate the merits of having the regional contracting staff report directly to OAM.

 **Brownfields.** Passback eliminates funding for Brownfields Projects grants. EPA should retain only the number of HQ and Regional Office FTE necessary to close previously awarded grants and to continue providing technical assistance at current or decreasing levels to state and local partners.

**Cancellation of Unobligated Balances.** Passback plans for cancellation of \$120 million in unobligated balances in FY 2018.

**Central Planning, Budgeting, and Finance.** Passback funds the Office of the Chief Financial Officer (OCFO) at \$77 million. The funding reduction is largely associated with the need for EPA to reduce redundancies in OCFO operations and a lower staffing need due to overall reductions in EPA's budget. Additional reductions include the closure of the OCFO E-Enterprise office, a -\$5M reduction in contracts, and an expectation that EPA will recoup its O&M costs for the BFLoB from agencies participating in its shared service.

**Children's Health.** Passback provides \$2 million. OMB directs EPA to consolidate the Office of Children's Health Protection (OCHP) into the Office of Policy. While this consolidation entails a significant reduction in resources for contracts and expenses related to children's health, Passback provides funding to carry out OCHP's mission centrally through the Office of Policy.

**Clean Water Act Programs.** Within the Office of Water's Clean Water Act-related programs, EPA is to prioritize functions required by statute. EPA is to analyze future workload demands, including those required to implement changes to the Clean Water Rule (WOTUS). Meeting these demands at the Passback funding levels will require trade-offs including eliminations of programs that can be managed by states or other entities (e.g., WaterSense, Beach programs), as well as reductions to program areas with voluntary elements (e.g., watershed/nonpoint source management, Urban Waters programs). Significant reductions were also taken to grants within EPM (e.g. National Estuary Program grants), which mirrors the overall goal of decreased federal involvement/subsidization of local programs.

#### **Climate Protection Program (EPM)**

- GHG Reporting, Accounting, and Modeling. Passback provides \$24 million to be used for the Greenhouse Reporting Program (GHGRP), GHG accounting, and modeling and analysis.



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- Partnership Programs. Passback includes \$5 million for the closeout or transfer of all of the Climate Protection Program voluntary partnership programs, recognizing that achieving the outcome envisioned in Passback may require adjustments to authorizing legislation. EPA should begin developing legislative options and associated groundwork for transferring ownership and implementation of Energy Star to a non-governmental entity. EPA should also explore similar transfer opportunities for the remaining partnership programs as well.

**Diesel Emissions Reduction Act Grant Program (DERA).** Passback does not fund the DERA program. Other sources of federal and state funding are available to fund high priority projects, and the legacy fleet will eventually be replaced by vehicles that use newer, cleaner engines. One possible source of funding was established as part of the Volkswagen settlements – specifically the mitigation trust fund totaling \$2.7 billion over ten years to reduce NOx emissions.

**e-Manifest.** Passback does not include a request for e-Manifest appropriations in FY 2018. EPA is to utilize its unobligated reserves to complete the first version of the e-Manifest system and begin operations.

**Endocrine Disruptor Screening Program.** Passback eliminates the Endocrine Disruptor Screening Program (EDSP), but retains \$445,000 in FY 2018 for any necessary close out activities. The pivot underway in EDSP to use computational and other high-throughput evaluation techniques, while important to the future of chemical risk assessment at EPA, has eclipsed efforts by the program to deliver on its original mission. Please schedule a meeting with OMB (that includes representatives of OCSP, ORD, OW, and OA) no later than June 15, 2017 to discuss how EPA will integrate endocrine disruptor screening into its existing programs for risk assessment and risk regulation.

**Environmental Education.** Passback eliminates the Office of Environmental Education, but retains \$555,000 in FY 2018 for any necessary close-out activities. Operating under the restrictive terms of the National Environmental Education Act of 1990 has inhibited EPA's ability to perform in this area. EPA should reinstate its previous policy to fund environmental education within the base budgets of its environmental media programs.

**Facilities Infrastructure and Operations.** Across all accounts, Passback provides \$454 million for this program project. Reductions to the Facilities Infrastructure and Operations programs are as follows:

- Buildings and Facilities (B&F). Passback provides EPA with \$33 million in this account. Within this funding level, EPA shall complete in FY 2018 the laboratory consolidations in Corvallis, OR and Lakewood, CO, while also aiming to make substantial progress on the laboratory consolidation in Athens, GA. OMB requests an update on these three consolidation projects, including the amount of FY 2017 funds that have been spent on these projects, as well as the FY 2018 funds necessary for completion, no later than March 31 2017.
- Environmental Programs and Management (EPM) and Science and Technology (S&T). Passback provides EPA with \$304 million in the EPM account and \$69 million in the S&T account. This funding incorporates rent cost avoidance from several regional and Headquarters offices (Potomac Yards North, Region 1, Region 5, and Region 9), the decommissioning of part of the Las Vegas laboratory, and the release of the Headquarters warehouse in Washington, DC. It further assumes rent cost avoidance from the ongoing Region 2 office consolidation project that

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EPA is directed to prioritize for completion in FY 2017. If funds need to be reallocated between the EPM and S&T accounts, EPA may propose an alternative breakdown in its appeals submission.

- EPA is also to dispose of its owned facility space in Grosse Ile, MI by the end of FY 2018.

**Federal Vehicle and Fuels Standards and Certification.** Passback provides \$76 million for this program project, and EPA may need to deprioritize implementation of existing mobile source GHG regulations. Consistent with the elimination of other voluntary climate-related programs, SmartWay is not funded in Passback.

**Homeland Security.** Passback funds the Homeland Security programs at \$63 million. Significant reductions were made to the Water Security Initiative, Lab Response Network, and Preparedness Response & Predeployment activities, with modest reductions across the remaining Homeland activities.

**Human Resources Management.** Staffing in the HRM program project is maintained at FY 2016 end-of-year actual utilization (223 FTE). Nonpay resources are reduced modestly to align with lower FY 2016 Actuals. In anticipation of a need for a fully operational human resources program to carry out buyouts and RIFs, EPA may not reallocate funding or FTE from Human Resources Management for appeals or otherwise without explicit approval from OMB.

**Las Vegas Laboratory.** OMB concurs with EPA not to support a build-to-suit lease when EPA's current lease expires in September 2020. EPA is to provide OMB with updated information regarding an alternative to extending the lease at the University of Nevada, Las Vegas, such as the relocation of operations and workforce to outside of Las Vegas. Please provide initial estimates of cost, viability, and any potential mission-related impacts associated with the best options for such a move, whether to Montgomery, AL or elsewhere within EPA's existing footprint. OMB requests this information, and any other update related to the current Las Vegas lease, to be submitted by March 31, 2017.

**Master Planning, EPA Facilities.** EPA shall commence the strategic review with OMB and GSA to analyze the needs of the Agency regarding its physical footprint, including that of office, warehouse, and laboratory space, as soon as possible. Given proposed budgetary and FTE reductions, EPA will need to comprehensively review its current occupancy agreements with GSA to reflect programmatic and workforce changes within the new Administration. EPA shall engage with OMB and GSA on its strategic master planning, with a focus on minimizing the amount of unused leased space.

**Office of the Administrator.** Passback provides \$68 million in total for the Office of the Administrator.

- Office of Public Engagement (EPM). The Passback eliminates the office of the Associate Administrator for Public Engagement and Environmental Education and the Office of Public Engagement.
- Small Minority Business Assistance (EPM). The Passback eliminates the Small Minority Business Assistance program and shifts responsibilities to the Small Business Ombudsman and acquisition staff.

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**Office of Environmental Information.** Passback provides \$116 million for the Office of Environmental Information. EPA should evaluate projects that may be eligible under the Working Capital Fund and use retained earnings to cover necessary shortfalls.

**Office of the Inspector General (OIG).** Passback provides a combined total of \$46 million for the OIG. The reduced level reflects lower workload in the Superfund program in recent years, as well as expectations for a reduction in workload associated with the Chemical Safety Board and significantly reduced EPA operating programs. OMB expects that achieving this level in FY 2018 will require workforce reduction and asks the office to prepare hiring restrictions, buyouts, and other options accordingly. While OMB is carrying \$41 million in the OIG's core account and \$5 million in the Superfund account, the OIG may propose an alternative allocation between the OIG and Superfund accounts. Any such proposal should be submitted to OMB by March 3, 2017.

**Office of International and Tribal Affairs.** Passback dissolves OITA as its own NPM, reorganizing remaining functions under the Office of the Administrator. Funding levels for the program projects International Sources of Pollution, Trade and Governance, Tribal – Capacity Building, and U.S. – Mexico Border anticipate the:

- Elimination of the OITA Immediate Office and the Office of Management & International Services (OMIS);
- Consolidation of the Offices of Global Affairs & Policy (OGAP) and Regional & Bilateral Affairs (ORBA) into a single Office for International Affairs;
- Reduction of 5 FTE from the pool of Regional Office tribal coordinators; and
- Discontinuation of the tribal ecoAmbassadors and U.S. – Mexico Border programs (see separate bulleted item).

**Office of Radiation and Indoor Air (ORIA).** ORIA is funded at \$25 million. EPA is to consolidate lower-priority ORIA activities, particularly in areas where EPA has succeeded in building the capacity of states to carry out non-regulatory programs. Similarly, the Indoor Air: Radon Program is eliminated, along with State Indoor Radon Categorical Grants. However, \$0.5 million is retained in the Indoor Air: Radon Program for any necessary closeout activities. The Radon Program has existed since 1988 and states are well equipped to continue to implement state programs. No funding is provided for ORIA program projects in the S&T account. However, if EPA finds having the existing multiple program project structure useful, OMB is open to shifting funds from EPM to the S&T program projects. Any such proposal should be submitted to OMB by March 3, 2017. Any shift between accounts should not change the overall ORIA funding level.

**Oil Spill Prevention, Preparedness, and Response.** Passback includes \$12 million for the Oil Spill Prevention, Preparedness, and Response program. A reduction in regulatory support and inspection staff drives the funding reduction for this program.

**Payroll.** At the FTE levels in Passback, OMB estimates EPA will require approximately \$2.07 billion for payroll, including costs associated with voluntary buyouts or reductions in force (RIFs). This estimate includes a 1.9 percent civilian pay raise for FY 2018, to go into effect on the first pay period of January 2018. EPA is directed to conduct its own assessment of payroll needs by program project at FTE levels in the Passback. OMB will provide technical



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assistance related to assumptions and modeling approach.

**Pesticide Programs.** Passback funds the Office of Pesticide Programs at \$93 million, inclusive of EPM and S&T funding. Sizeable unobligated balances in EPA accounts 068-5374 and 068-4310 should offset reductions as necessary. Additionally, any potential additional fee collections from the upcoming reauthorization of PRLA could help offset reductions to the program.

**Program Evaluations.** OMB encourages EPA to retain a strong evaluation community and to identify the most appropriate tools and methods (e.g., impact evaluations, lean activities, research, statistics, or other analytics) to answer key program evaluation questions. OMB encourages EPA to develop a learning agenda to help manage this process, as discussed in Section 210 of OMB Circular A-11.

**Regional Consolidation.** Passback assumes consolidation of some regional offices. The Passback level therefore includes a reduction of at least 50 administrative program FTE as an initial step to consolidate regional offices. The reduction in administrative personnel is the first step in combining enabling support functions with the expectation that the Agency will realize efficiencies through consolidation. EPA is to develop a plan of action for reconfiguring EPA's ten regions into eight. EPA is to work with OMB on this effort and to report the results in a comprehensive plan to OMB by June 15, 2017. In developing the plan, EPA is to consider releasing costly rental space in favor of leasing space in less expensive locations and operating field offices. The plan is also to include an analysis of the redistribution of FTE resources to take broader advantage of shared support opportunities within the enabling support programs.

**State and Local Prevention and Preparedness.** Passback includes \$12 million for the State and Local Prevention and Preparedness program. This funding level reflects the completion of actions set forth under Executive Order 13650 on Improving Chemical Facility Safety and Security along with a corresponding reduction to regulatory support and inspection FTE.

**Superfund: Emergency Response and Removal.** Passback provides \$150 million for the Superfund: Emergency Response and Removal program. EPA's ability to quickly respond to multiple simultaneous emergencies is crucial to an effective Federal response. The funding reductions reflect the elimination of grants, significant reductions to non-time critical removal actions, and reductions to non-cleanup support contracts. No FTE reductions are to be applied to the On-Scene Coordinator FTE pool.

**Superfund: Remedial.** Passback funds the Superfund: Remedial program at \$344 million. Of this amount, no less than \$150 million in appropriated funds is to be allotted to the remedial action allowance. None of the funds made available are to be used to finalize or enforce the proposed CERCLA §108(b) rulemaking on the hardrock mining industry, as that rule is currently written.

**Supplemental Budget Guidance.** During the FY 2018 Current Services President's Budget development process, OMB requested supplemental materials and information to be submitted in addition to what is regularly submitted through the government-wide budget guidance. OMB plans to request similar supplemental information during the full FY 2018 budget development.



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**Toxic Chemicals: Chemical Risk Review and Reduction.** In anticipation of EPA collecting \$15 million in TSCA fees in FY 2018, Passback reduces funding in FY 2018 by -\$12 million from FY 2016 Enacted. The combination of fee collections and general revenue appropriations at the Passback level will provide OPPT with a total funding level in line with its current base budget. EPA is encouraged to promulgate the TSCA fee rule as soon as possible and to share updated budget projections as TSCA reform implementation gets underway. Passback also contemplates the elimination of the three FTE serving in Regional Offices as well as a consolidation of OPPT's Outreach and Liaison Branches.

**Toxic Release Inventory.** Passback funds TRI at \$11 million. Given the maturity of the TRI program and its reorganization under OPPT, the TRI Communications and Outreach and Regulatory Development Branches are eliminated to avoid duplication and inefficiencies.

**Underground Storage Tank Programs.** Passback includes \$76 million for the Underground Storage Tank programs. This funding reduction should not impact the base amount distributed to each State and Territory, but the available balance to be distributed on a needs basis may need to be adjusted.

**U.S. – Mexico Border.** Passback eliminates the U.S. – Mexico Border EPM program. EPA should continue to support environmental protection activities in the Border region by utilizing base funding from EPA program offices, such as OEM, ORCR, OAR, and OW. Please provide OMB with a crosscutting summary of EPA spending—both intra- and extramural—on activities in the Border region in FY 2017 and FY 2018 by October 15<sup>th</sup> of each year.

**WIFIA.** Passback provides a total of \$20 billion for the WIFIA program account. Within this amount, Passback provides \$3 million for administrative expenses and \$17 million in credit subsidy.

**Workforce Planning.** EPA must take immediate steps to adjust its workforce to reflect anticipated funding levels. The hiring freeze shall remain in place at EPA until further notice. EPA is directed to immediately commence development of a comprehensive Workforce Reduction Plan. EPA should chart a workforce reduction path that seeks to align capacity with Administration priorities, retain high performers and critical institutional knowledge, take advantage of opportunities for more efficient practices and organizational structures, minimize separation costs, and enable adjustment to final appropriation levels without major disruptions to the agency's work. An initial draft of the Plan is due to OMB on March 31, 2017. EPA should begin planning implementation of specific components of the plan (e.g., preparing VERA/VSLP authority requests and RLF plans) as soon as practicable. This should include actions in FY 2017 to prepare personnel files and identify opportunities for buyouts or early retirement. No later than April 15, 2017, OMB will meet with EPA to discuss the initial draft of the Workforce Reduction Plan, progress to-date in planning specific components, and how OMB can assist with expediting implementation.

#### IV. MANAGEMENT ISSUES

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While these items do not need to be addressed for development of the FY 2018 budget blueprint, we have included them to begin initial agency actions on key management areas of focus.

**Buy and Manage Like a Business.** To the maximum extent practicable, as reflected in the Federal Acquisition Regulation (FAR), especially for the acquisition of common goods and services, agencies shall use existing contract solutions such as: a) Federal Supply Schedules; b) Government-wide acquisition contracts; c) multi-agency contracts; d) and any other procurement instruments intended for use by multiple agencies. In addition, by May 29, 2017, for those solutions that have been identified as “Best in Class” (BIC) solutions (see MAX link below for details), agencies shall review existing targets, if established, and submit a plan to OMB to aggressively increase spending through current and future BIC solutions to the maximum extent practicable, consistent with existing policies. In cases where transition to the BIC solution(s) is not practicable, or the agency does not plan to significantly increase use of the solution(s), the plan should include an analysis of the existing agency solution(s) and demonstrate that their current solution(s) is more efficient and effective than the BIC solution. This will help the government continuously improve existing and future BIC solutions so they leverage the vast buying power of the federal government and deliver maximum value. In addition, agencies shall control spending by better managing demand and consumption (e.g., use standard configurations for common requirements, participate in volume buying events, and apply best commercial buying practices) to reduce unnecessary spending. (See MAX for more detail on BIC solutions, along with evaluation criteria and guidance: <https://community.max.gov/x/IRV8S>. Plan template will also be made available on this page. Plans should be submitted to [mnromley@omb.eop.gov](mailto:mnromley@omb.eop.gov).)


By April 24, 2017, EPA must submit to OMB a plan to consolidate information technology infrastructure in the areas of wireless devices/services, hardware, software, and network services and utilize approved solutions. See MAX for the plan template and submission information: <https://community.max.gov/x/IRV8S>.

#### Implementing Cybersecurity.

- Continuous Diagnostics and Mitigation (CDM) Phase 1. In FY 2018, OMB is reviewing options for funding Task Order 2 Software License Maintenance, Dashboard costs, and Delivery Order 1 costs. The RMO will provide further information soon. Beyond these specific costs, agencies should seek to fund CDM training, governance support, and human resources needed for implementation to the extent possible. In addition to O&M for the licenses originally purchased by DHS, agencies should protect investments for additional licenses to cover further identified hardware and software assets on their networks.
- High Value Assets. Agencies should protect investments in information technology systems that support, host, or connect with agencies identified High Value Assets (HVAAs), as outlined in M-17-09.
- Agency Risk Assessment. Agencies shall provide a cybersecurity risk management report to OMB. This report shall include the following:
  - The mitigation and acceptance choices made by each Agency Head including strategic, operational, and budget considerations. Any accepted risk must be documented.

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- A description of the Agency's plan to implement the NIST Cybersecurity Framework.
- OMB will follow up with further guidance and a specific date in the coming weeks.

 **Modernizing Legacy Information Technology.** By April 3, 2017, EPA must submit to OMB a modernization plan to retire or replace at least one high priority legacy IT system beginning in FY 2018 through the use of cloud or shared services. Agencies are encouraged to focus their initial efforts on their identified high value assets. The total estimated project cost must fit within topline guidance levels and shall not assume an increase in out-year IT resources. The planned transition should not exceed two years, and shall not be a modernization that is already in progress as of January 31, 2017. The project must modernize a system(s) that is currently designated as "major" on the IT Dashboard, comply with relevant cyber security standards, demonstrate improvements in operational effectiveness, and incorporate sound estimates of annual cost avoidance. Joint CIO/CFO-approved plans must be completed in the format of the template available on MAX: <https://collect.max.gov/x/cl2gXV>. Agencies are encouraged to consult with OMB's Office of the Federal Chief Information Officer/E-Government and Information Technology in the formulation of their plans, and must work with Resource Management Offices to obtain concurrence and develop justification materials for the FY 2018 President's Budget.

**Program Reduction Expenses.** EPA should work with its OMB examiners to prepare plans and calculate estimates on how it will reduce personnel, real property and other costs to align with the proposed budget level. This should include providing estimated costs for severance (<https://www.opm.gov/policy-data-oversight/workforce-restructuring/reductions-in-force/#url=Severance+Pay+Estimation+Worksheets>), separation incentives, lease termination, property disposal/document archive, and related program close-out expenses.

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### V. KEY AGENCY PASSBACK DATES

- Wednesday, March 1, 2017 – Agency Appeal Due
- March 3, 2017
  - Alternative allocation proposals for OIG
  - Alternative allocation proposals for ORIA
- March 31, 2017
  - Workforce Planning initial draft plan
  - Laboratory consolidations update
  - Las Vegas facility update
- April 3, 2017
  - Submit to OMB a modernization plan to retire or replace legacy IT system
- April 15, 2017 (no later than)
  - OMB meeting to discuss initial draft of the Workforce Reduction Plan
- April 24, 2017
  - Submit to OMB a plan to consolidate information technology infrastructure
- May 29, 2017
  - Submit to OMB a plan to increase spending through current and future BIC solutions
- June 15, 2017
  - Regional Consolidation plan
  - Acquisition Management Regional Office Alignment options paper
  - EDSF meeting
- October 15, 2017 and 2018 – Crosscut of U.S. – Mexico Border funding



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## APPENDIX A – Program Project Table

### Environmental Protection Agency FY 2018 Passback Summary

Account	Program Project	FY 2016 Enacted (\$K)	FY 2017 Annualized CR (\$K)	FY 2018 Passback (\$K)	FY 2018 Passback (FTE)
EPM	Acquisition Management	30,464	30,406	26,728	140.1
EPM	Administrative Law	4,774	4,765	4,153	23.8
EPM	Alternative Dispute Resolution	1,045	1,043	657	4.0
EPM	Beach / Fish Programs	1,982	1,978	155	0.0
EPM	Brownfields	25,593	25,544	14,729	82.6
EPM	Central Planning, Budgeting, and Finance	72,184	72,047	64,198	276.4
EPM	Children and Other Sensitive Populations: Agency Coordination	6,548	6,536	2,061	6.9
EPM	Civil Enforcement	171,377	171,051	153,423	954.7
EPM	Civil Rights / Title VI Compliance	10,071	10,052	9,051	53.3
EPM	Clean Air Allowance Trading Programs	16,143	16,112	15,241	63.7
EPM	Climate Protection Program	95,436	95,255	29,169	54.7
EPM	Compliance Monitoring	101,665	101,472	88,674	443.9
EPM	Congressional, Intergovernmental, External Relations	0	0	0	0.0
EPM	Criminal Enforcement	46,313	46,225	43,562	213.5
EPM	Drinking Water Programs	96,525	96,342	90,182	470.3
EPM	Endocrine Disruptors	7,553	7,539	445	0.0
EPM	Environmental Education	8,702	8,685	555	0.0
EPM	Environmental Justice	6,737	6,724	1,500	0.0
EPM	Exchange Network	17,016	16,984	11,795	30.2
EPM	Executive Management and Operations	47,019	46,930	37,283	221.6
EPM	Facilities Infrastructure and Operations	311,540	310,948	304,141	296.4
EPM	Federal Stationary Source Regulations	22,943	22,899	21,090	89.1
EPM	Federal Support for Air Quality Management	124,743	124,506	119,396	715.7
EPM	Financial Assistance Grants / IAG Management	25,296	25,248	18,774	100.5
EPM	Geographic Program: Chesapeake Bay	73,000	72,861	5,000	10.0

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EPM	Geographic Program: Gulf of Mexico	4,482	4,473	1,000	3.0
EPM	Geographic Program: Lake Champlain	4,399	4,391	0	0.0
EPM	Geographic Program: Long Island Sound	3,940	3,933	0	0.0
EPM	Geographic Program: Other	7,393	7,379	1,000	2.0
EPM	Geographic Program: Puget Sound	28,000	27,947	2,000	2.0
EPM	Geographic Program: San Francisco Bay	4,819	4,810	0	0.0
EPM	Geographic Program: South Florida	1,704	1,701	0	0.0
EPM	Great Lakes Restoration	300,000	299,430	10,000	15.0
EPM	Homeland Security: Communication and Information	3,877	3,870	3,519	11.3
EPM	Homeland Security: Critical Infrastructure Protection	972	970	882	1.0
EPM	Homeland Security: Protection of EPA Personnel and Infrastructure	5,346	5,336	4,986	0.0
EPM	Human Resources Management	43,267	43,185	41,707	202.0
EPM	Indoor Air: Radon Program	2,910	2,904	505	0.0
EPM	Information Security	28,186	28,132	12,001	12.8
EPM	Integrated Environmental Strategies	11,491	11,469	8,441	43.0
EPM	International Sources of Pollution	6,430	6,418	6,126	30.2
EPM	IT / Data Management	83,950	83,790	70,216	263.5
EPM	Legal Advice: Environmental Program	48,565	48,473	45,590	242.0
EPM	Legal Advice: Support Program	15,480	15,451	14,198	68.0
EPM	LUST / UST	11,295	11,274	8,079	43.2
EPM	Marine Pollution	10,161	10,142	8,627	35.0
EPM	National Estuary Program / Coastal Waterways	26,723	26,672	17,620	33.0
EPM	NEPA Implementation	16,210	16,179	13,869	82.8
EPM	Pesticides: Protect Human Health from Pesticide Risk	57,809	57,699	50,948	304.2
EPM	Pesticides: Protect the Environment from Pesticide Risk	37,293	37,222	32,139	189.1
EPM	Pesticides: Realize the Value of Pesticide Availability	6,086	6,074	5,039	33.5
EPM	Pollution Prevention Program	13,140	13,115	7,223	38.4
EPM	Radiation: Protection	8,443	8,427	8,155	32.6
EPM	Radiation: Response Preparedness	2,550	2,545	2,265	11.9
EPM	RCRA: Corrective Action	36,930	36,860	32,503	172.0
EPM	RCRA: Waste Management	59,098	58,986	52,616	249.0
EPM	RCRA: Waste Minimization & Recycling	8,849	8,832	7,125	30.0
EPM	Reduce Risks from Indoor Air	13,733	13,707	8,233	28.9

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EPM	Regional Science and Technology	1,532	1,529	1,149	2.0
EPM	Regulatory/Economic-Management and Analysis	14,574	14,546	11,298	57.0
EPM	Science Advisory Board	3,882	3,875	3,575	18.7
EPM	Science Policy and Biotechnology	1,174	1,172	1,189	4.0
EPM	Small Business Ombudsman	1,999	1,995	1,967	4.6
EPM	Small Minority Business Assistance	1,670	1,667	400	0.0
EPM	State and Local Prevention and Preparedness	15,318	15,289	12,251	58.9
EPM	Stratospheric Ozone: Domestic Programs	4,915	4,906	4,441	21.0
EPM	Stratospheric Ozone: Multilateral Fund	8,928	8,911	8,036	0.0
EPM	Surface Water Protection	200,256	199,875	180,533	937.1
EPM	Toxic Substances: Chemical Risk Management	0	0	0	0.0
EPM	Toxic Substances: Chemical Risk Review and Reduction	58,554	58,443	45,940	185.1
EPM	Toxic Substances: Lead Risk Reduction Program	13,275	13,250	9,358	38.9
EPM	Trade and Governance	5,907	5,896	3,037	9.0
EPM	TRI / Right to Know	13,882	13,856	10,684	28.4
EPM	Tribal - Capacity Building	14,385	14,358	11,784	72.0
EPM	US Mexico Border	3,063	3,057	275	0.0
EPM	[Water Quality Research and Support Grants (Congressionally Mandated)]	12,700	12,676	0	0.0
EPM	Wetlands	21,065	21,025	18,992	120.0
<b>EPM Total</b>		<b>2,635,279</b>	<b>2,630,269</b>	<b>1,863,483</b>	<b>7,993.0</b>
E-Man	E-Manifest	3,674	3,667	0	0.0
<b>E-Man Total</b>		<b>3,674</b>	<b>3,667</b>	<b>0</b>	<b>0.0</b>
S&T	Clean Air Allowance Trading Programs	7,808	7,793	6,239	0.0
S&T	Climate Protection Program	8,018	8,003	6,099	29.6
S&T	Drinking Water Programs	3,519	3,512	3,284	23.0
S&T	Facilities Infrastructure and Operations	68,339	68,209	69,289	0.0
S&T	Federal Support for Air Quality Management	7,467	7,453	3,967	16.1
S&T	Federal Vehicle and Fuels Standards and Certification	93,247	93,070	76,045	261.3
S&T	Forensics Support	13,669	13,643	10,624	48.8
S&T	Homeland Security: Critical Infrastructure Protection	10,517	10,497	7,262	19.3

## Internal Use Only – Not for Further Distribution

S&T	Homeland Security: Preparedness, Response, and Recovery	26,054	26,004	21,497	55.5
S&T	Homeland Security: Protection of EPA Personnel and Infrastructure	552	551	500	0.0
S&T	Human Health Risk Assessment	37,602	37,531	27,006	120.6
S&T	Indoor Air: Radon Program	172	172	0	0.0
S&T	IT / Data Management	3,089	3,083	2,726	10.3
S&T	Pesticides: Protect Human Health from Pesticide Risk	3,128	3,122	2,275	11.3
S&T	Pesticides: Protect the Environment from Pesticide Risk	2,328	2,324	2,194	7.3
S&T	Pesticides: Realize the Value of Pesticide Availability	571	570	527	2.3
S&T	Radiation: Protection	1,835	1,832	1,707	9.1
S&T	Radiation: Response Preparedness	3,781	3,774	3,340	19.6
S&T	Reduce Risks from Indoor Air	209	209	0	0.0
S&T	Research: Air, Climate and Energy	91,906	91,731	45,725	173.8
S&T	Research: Chemical Safety and Sustainability	89,328	89,158	61,784	238.9
S&T	Research: Safe and Sustainable Water Resources	107,434	107,230	70,098	266.4
S&T	Research: National Priorities	14,100	14,073	0	0.0
S&T	Research: Sustainable and Healthy Communities	139,975	139,709	75,832	257.8
<b>S&amp;T Total</b>		<b>734,648</b>	<b>733,251</b>	<b>498,020</b>	<b>1,571.0</b>
B&F	Facilities Infrastructure and Operations	35,641	35,573	33,377	0.0
B&F	Homeland Security: Protection of EPA Personnel and Infrastructure	6,676	6,663	6,176	0.0
<b>B&amp;F Total</b>		<b>42,317</b>	<b>42,237</b>	<b>39,553</b>	<b>0.0</b>
STAG	Brownfields Projects	80,000	79,848	0	0.0
STAG	Categorical Grant: Beaches Protection	9,549	9,531	0	0.0
STAG	Categorical Grant: Brownfields	47,745	47,654	33,358	0.0
STAG	Categorical Grant: Environmental Information	9,646	9,628	6,739	0.0
STAG	Categorical Grant: Evidence-based Compliance & Enforcement	0	0	0	0.0
STAG	Categorical Grant: Hazardous Waste Financial Assistance	99,693	99,503	69,652	0.0
STAG	Categorical Grant: Lead	14,049	14,022	9,816	0.0



## Internal Use Only – Not for Further Distribution

STAG	Categorical Grant: Nonpoint Source (Sec. 319)	164,915	164,601	115,221	0.0
STAG	Categorical Grant: Pesticides Enforcement	18,050	18,016	12,611	0.0
STAG	Categorical Grant: Pesticides Program Implementation	12,701	12,677	8,874	0.0
STAG	Categorical Grant: Pollution Control (Sec. 106)	230,806	230,367	161,257	0.0
STAG	Categorical Grant: Pollution Prevention	4,765	4,756	3,329	0.0
STAG	Categorical Grant: Public Water System Supervision (PWSS)	101,963	101,769	71,238	0.0
STAG	Categorical Grant: Radon	8,051	8,036	0	0.0
STAG	Categorical Grant: State and Local Air Quality Management	228,219	227,785	159,450	0.0
STAG	Categorical Grant: Toxics Substances Compliance	4,919	4,910	3,437	0.0
STAG	Categorical Grant: Tribal Air Quality Management	12,829	12,805	8,963	0.0
STAG	Categorical Grant: Tribal General Assistance Program	65,476	65,352	45,746	0.0
STAG	Categorical Grant: Multi-Media Tribal Assistance Program	0	0	0	0.0
STAG	Categorical Grant: Underground Injection Control (UIC)	10,506	10,486	7,340	0.0
STAG	Categorical Grant: Underground Storage Tanks	1,498	1,495	1,047	0.0
STAG	Categorical Grant: Wetlands Program Development	14,661	14,633	10,243	0.0
STAG	Diesel Emissions Reduction Grant Program	50,000	49,905	0	0.0
STAG	Infrastructure Assistance: Alaska Native Villages (targeted watershed)	20,000	19,962	0	0.0
STAG	Infrastructure Assistance: Clean Water SRF	1,393,887	1,391,237	1,391,237	0.0
STAG	Infrastructure Assistance: Drinking Water SRF	863,233	961,592	861,592	0.0
STAG	Infrastructure Assistance: Mexico Border (targeted watershed)	10,000	9,981	0	0.0
STAG	Categorical Grant: Multipurpose Grants	21,000	20,960	0	0.0
STAG	Targeted Airshed Grants	20,000	19,962	0	0.0
STAG	Categorical Grant: Water Quality Cooperative Agreements	0	0	0	0.0
STAG	Targeted Watersheds	0	0	0	0.0
<b>STAG Total</b>		<b>3,518,161</b>	<b>3,611,473</b>	<b>2,981,150</b>	<b>0.0</b>
WIFIA	Water Infrastructure Finance and Innovation	0	20,000	20,000	12.0
<b>WIFIA Total</b>		<b>0</b>	<b>20,000</b>	<b>20,000</b>	<b>12.0</b>

## Internal Use Only – Not for Further Distribution

LUST	Acquisition Management	145	145	138	0.0
LUST	Central Planning, Budgeting, and Finance	424	423	424	2.5
LUST	Civil Enforcement	620	619	569	2.9
LUST	Facilities Infrastructure and Operations	783	782	785	0.0
LUST	LUST / UST	9,240	9,222	8,867	41.6
LUST	LUST Cooperative Agreements	55,040	54,935	40,040	0.0
LUST	LUST Prevention	25,369	25,321	18,369	0.0
LUST	Research: Sustainable and Healthy Communities	320	319	320	1.8
<b>LUST Total</b>		<b>91,941</b>	<b>91,766</b>	<b>69,512</b>	<b>48.8</b>
OIL	Civil Enforcement	2,413	2,408	2,338	12.9
OIL	Compliance Monitoring	139	139	139	0.9
OIL	Facilities Infrastructure and Operations	584	583	680	0.0
OIL	Oil Spill: Prevention, Preparedness and Response	14,409	14,382	12,138	62.3
OIL	Research: Sustainable and Healthy Communities	664	663	503	0.9
<b>OIL Total</b>		<b>18,209</b>	<b>18,174</b>	<b>15,798</b>	<b>77.0</b>
OIG	Audits, Evaluations, and Investigations	41,489	41,410	40,656	195.0
<b>OIG Total</b>		<b>41,489</b>	<b>41,410</b>	<b>40,656</b>	<b>195.0</b>
FIFRA	Pesticides: Protect Human Health from Pesticide Risk	0	0	0	100.1
FIFRA	Pesticides: Protect the Environment from Pesticide Risk	0	0	0	72.0
FIFRA	Pesticides: Realize the Value of Pesticide Availability	0	0	0	10.5
<b>FIFRA Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>182.6</b>
SF-REIMB	Superfund: Federal Facilities	0	0	0	8.5
SF	Acquisition Management	22,461	22,418	14,035	67.6
SF	Alternative Dispute Resolution	675	674	130	0.0
SF	Audits, Evaluations, and Investigations	9,939	9,920	5,000	18.4
SF-REIMB	Base Realignment and Closure (BRAC)	0	0	0	0.0
SF	Central Planning, Budgeting, and Finance	22,126	22,084	12,180	76.9

## Internal Use Only – Not for Further Distribution

SF	Compliance Monitoring	995	993	606	0.5
SF	Criminal Enforcement	7,124	7,110	4,163	15.8
SF	Environmental Justice	545	544	175	0.0
SF	Exchange Network	1,328	1,325	838	0.0
SF	Facilities Infrastructure and Operations	74,278	74,137	46,037	12.3
SF	Financial Assistance Grants / IAG Management	2,895	2,889	1,598	8.0
SF	Forensics Support	1,089	1,087	708	2.0
SF	Homeland Security: Preparedness, Response, and Recovery	35,276	35,209	17,451	52.5
SF	Homeland Security: Protection of EPA Personnel and Infrastructure	1,086	1,084	542	0.0
SF	Human Health Risk Assessment	2,843	2,838	2,688	13.0
SF	Human Resources Management	6,345	6,333	4,780	21.0
SF	Information Security	6,083	6,071	3,186	0.0
SF	IT / Data Management	13,802	13,776	8,209	20.5
SF	Legal Advice: Environmental Program	578	577	349	1.4
SF	Radiation: Protection	1,985	1,981	1,162	6.0
SF	Research: Sustainable and Healthy Communities	14,032	14,005	5,655	22.6
SF	Superfund: Emergency Response and Removal	181,306	180,961	150,033	224.6
SF	Superfund: Enforcement	150,628	150,342	95,625	578.1
SF	Superfund: EPA Emergency Preparedness	7,636	7,621	7,215	35.7
SF	Superfund: Federal Facilities	21,125	21,085	20,555	97.8
SF	Superfund: Remedial	501,000	500,048	343,966	805.1
SF	Superfund: Federal Facilities Enforcement	6,989	6,976	0	0.0
<b>SF Total</b>		<b>1,094,169</b>	<b>1,092,089</b>	<b>746,886</b>	<b>2,088.3</b>
TSCA	Toxic Substances: Chemical Risk Review and Reduction			0	53.6
<b>TSCA Total</b>				<b>0</b>	<b>53.6</b>
WCF-REIMB	Central Planning, Budgeting, and Finance	0	0	0	38.3
WCF-REIMB	Executive Management and Operations (formerly Congressional, Intergovernmental, External Relations)	0	0	0	2.0

## Internal Use Only – Not for Further Distribution

WCF-REIMB	Facilities Infrastructure and Operations	0	0	0	2.5
WCF-REIMB	Homeland Security: Protection of EPA Personnel and Infrastructure	0	0	0	12.2
WCF-REIMB	IT / Data Management	0	0	0	126.0
<b>WCF-REIMB Total</b>		<b>0</b>	<b>0</b>	<b>0</b>	<b>181.0</b>
WRKFC	Workforce Adjustments				
Cancel	Rescission of Prior Year Funds	(40,000)	(40,000)	(120,000)	
<b>Grand Total</b>		<b>8,139,887</b>	<b>8,244,337</b>	<b>6,155,058</b>	<b>12,396.8</b>





<u>Fiscal Year</u>	<u>FTE Actuals</u>
FY 2016	14,779
FY 2015	14,725
FY 2014	15,408
FY 2013	15,913
FY 2012	17,106
FY 2011	17,359
FY 2010	17,278
FY 2009	17,049
FY 2008	16,916
FY 2007	17,072
FY 2006	17,355
FY 2005	17,495
FY 2004	17,611
FY 2003	17,741
FY 2002	17,590
FY 2001	17,558
FY 2000	17,726
FY 1999	18,110
FY 1998	17,739
FY 1997	17,152
FY 1996	17,082
FY 1995	17,508
FY 1994	17,106
FY 1993	17,280
FY 1992	17,010
FY 1991	16,415
FY 1990	16,318
FY 1989	14,370
FY 1988	14,442
FY 1987	13,442

Program or Region	Total	Offer Made	Accepted
AO	14	1	12
OAR	4	2	2
OARM	31	6	25
OCFO	17		15
OCSP	15	1	10
OECA	48	3	37
OEI	17	1	16
OGC	2		2
OITA	3	1	2
OLEM	20	3	14
ORD	33		29
OW	24	5	17
Region 1	27	2	19
Region 2	9		7
Region 3	59	7	38
Region 4	28	1	19
Region 5	32	3	26
Region 6	39	2	28
Region 7	33	3	27
Region 8	4		2
Region 9	15	2	11
Region 10	7	2	4
<b>Total</b>	<b>481</b>	<b>(45)</b>	<b>(362)</b>

Correctly, 14,880

Actuals - David B.

14,473 ~~FTE~~

base ment

Retirement Aug Sept.  
12 + 33

14,428 ~~FTE~~

Withdrew	Not Eligible	Declined	Separated
	1		1
		2	
	2	2	
1		7	1
1		2	
1	1	2	1
		2	2
		6	
	1	1	1
6	1	7	2
1	4	3	
1		2	2
3	1	5	2
		3	1
	2		1
1		1	
		1	
15	13	46	14



## Jackson, Ryan

**From:** Vizian, Donna  
**Sent:** Thursday, August 10, 2017 5:48 PM  
**To:** Jackson, Ryan; Flynn, Mike; Bloom, David  
**Cc:** Showman, John  
**Subject:** VERA VSIP Progress Report

This week, we added columns to provide information on offers made, accepted, declined and actual separations. Please note that a person is only counted once across these categories. FTE utilization will be updated next week. Please let me know if you have any questions.

AA Ship/Region	App. Received	Eligible	Not Eligible	Withdrew	Wait List*	Offer Made	Accepted	Declined	Separ
AO	14	0	1	0	0	8	5	0	0
OAR	4	0	0	0	0	3	1	0	0
OARM	31	0	0	0	0	30	1	0	0
OCFO	17	0	0	0	0	9	8	0	0
OCSP	15	0	2	0	0	8	4	1	0
OECA	48	0	0	1	0	46	0	1	0
OEI	17	0	0	0	1	9	7	0	0
OGC	2	0	0	0	0	1	1	0	0
OITA	3	0	0	0	0	1	2	0	0
OLEM	20	0	0	1	0	19	0	0	0
ORD	33	0	1	1	0	13	17	1	0
OW	24	1	1	0	0	10	12	0	0
Region 1	27	0	0	0	2	16	9	0	0
Region 10	7	0	0	0	0	5	1	1	0
Region 2	9	0	1	0	0	4	4	0	0
Region 3	59	0	1	7	0	35	16	0	0
Region 4	28	0	4	1	0	16	7	0	0
Region 5	32	0	0	1	0	31	0	0	0
Region 6	39	0	1	3	0	34	0	1	0
Region 7	33	0	0	0	0	33	0	0	0
Region 8	4	0	2	0	0	2	0	0	0
Region 9	15	0	0	1	0	7	7	0	0
<b>Total</b>	<b>481</b>	<b>1</b>	<b>14</b>	<b>16</b>	<b>3</b>	<b>340</b>	<b>102</b>	<b>5</b>	<b>0</b>

Projected FY18 FTE Utilization based on current on-boards as of July 26th: **14,894.7**

Current FTE Ceiling: **15,408**

Difference: **513.4**

## Jackson, Ryan

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**From:** Vizian, Donna  
**Sent:** Thursday, August 3, 2017 5:46 PM  
**To:** Jackson, Ryan  
**Cc:** Flynn, Mike; Bloom, David  
**Subject:** V/V Status

Hi Ryan,

Below is the 1<sup>st</sup> weekly tracking report. We will send these every Thursday. As you can see, my staff have one application still under review. Also, we are waiting to hear from OPM regarding our request for flexibility to live within the overall cap. We will also provide information on offers accepted and separations once we start that part of the process. Also below, OCFO has provided information on how our current on-board count translates into FTE utilization for FY18. This can serve as the basis for messaging going forward. Since FTE utilization is calculated using payroll information, it can be done once a pay period. Please let me know if this works for you.

Thanks  
Donna

AA Ship/Region	App. Received	Under Review	Eligible	Not Eligible	Withc
AO	14	0	13	1	0
OAR	4	0	4	0	0
OARM	31	0	31	0	0
OCFO	17	0	16	0	0
OCSP	15	0	13	2	0
OECA	48	0	47	0	1
OEI	17	0	16	0	0
OGC	2	0	2	0	0
OITA	3	0	3	0	0
OLEM	20	0	20	0	0
ORD	33	0	31	1	1
OW	24	1	23	0	0
Region 1	27	0	22	2	0
Region 10	7	0	7	0	0
Region 2	9	0	8	1	0
Region 3	59	0	51	1	4
Region 4	28	0	17	4	1
Region 5	32	0	31	0	1
Region 6	39	0	35	1	3
Region 7	33	0	33	0	0

Region 8	4	0	4	0	0
Region 9	15	0	12	0	1
<b>Total</b>	<b>481</b>	1	439	13	12

Projected FY18 FTE Utilization based on current on-boards as of July 26th: **14,894.7**

Current FTE Ceiling: **15,408**

Difference: **513.4**

**\*Wait List-** More eligible employees than slots available based on the current allotment. If pending flexibility requested of OPM approved this number will reduce significantly.

- 450



14,444

**Flynn, Mike**

*VERA/VSIP*

**From:** Showman, John  
**Sent:** Thursday, July 27, 2017 8:29 AM  
**To:** Flynn, Mike; Bloom, David; Terris, Carol; Vizian, Donna; Hart, Debbi  
**Subject:** VERA VSIP Applications Received - Final Number

Here are the final numbers ...

The final VERA/VSIP numbers are below.

483 VERA/VSIP applications have been received agency-wide.  
Below is the breakdown by SSC and then by Program/Region.

### ALL by HR SSC

HR Shared Service Center	Total
Cincinnati	206
ERD	3
Las Vegas	54
RTP	220
	Total: 483



Program or Region	Total
AO	14
OAR	4
OARM	31
OCFO	17
OCSPP	15
OECA	48
OEI	17
OGC	2
OITA	3
OLEM	20
ORD	33
OW	25
Region 1	27
Region 10	7
Region 2	9
Region 3	59
Region 4	28
Region 5	32
Region 6	39
Region 7	33
Region 8	4
Region 9	16
	Total:
	483

## Overview of EPA's Voluntary Early Retirement Authority and Voluntary Separation Incentive Payments Programs 2014-2017

### 2. VERA/VSIP 2017

In April 2017, the agency announced that it was initiating an early out/buyout program targeted for completion by the end of September 2017. The agency's business case for requesting VERA/VSIP focused on improving overall efficiency and effectiveness across the enterprise.

Twenty-two of the agency's program/regional offices participated in the effort (all EPA offices except for the Office of the Inspector General). A total of 3,669 positions were targeted (25% of the workforce) *SAME* with a maximum of 1,226 offers to be made (8% of the workforce) (see attachment 1). The top five targeted occupations based on maximum offers to be made were environmental protection specialists (178), physical scientists (148), management and program analysts (130), environmental engineers (99) and miscellaneous administration and program support (70).

*efficiency*  
*Marched 2014*  
The agency received final OPM/OMB approval on July 10, 2017 (see attachment 2). Two amendments to the authority were requested by the agency and approved by OPM: (1) an allocation flexibility across organizations within a regional/program office and (2) an adjustment to the Office of Water's targeted positions (see attachment 3 for requests and approvals).

*RIF*  
A total of 374 *+ attrition, other retirements.* employees departed the agency on or prior to September 2, 2017; two additional employees will depart on September 30, 2017. The costs for the 376 departing employees are as follow:

- Total Cost: \$9,398,910.00 *→ does not include annual leave.*
- 374 employees received full \$25K
- *3* ~~Two~~ employees received less than \$25K
  - Region 3: \$24,382.00
  - Region 6: \$24,528.00

VSIP payments are computed based on the severance an employee would be entitled to receive in accordance with federal law, with a \$25,000 maximum.

### → VERA/VSIP 2014-15

*5828 targeted / 1365*  
Two rounds of enterprise-wide VERA/VSIP were conducted previously by the agency (see attachment 4 spreadsheet). The first round included nineteen program/regional offices and resulted in 456 employees departing the agency in April 2014. The EPA paid early-out/buyout incentives of about \$11.3 million and annual leave payments of \$4.9 million, for a total of approximately \$16.2 million. — \*

*1.*  
*\$25K exp*  
*450,000*  
A second round of the VERA/VSIP program followed shortly thereafter that included ten *2445 targeted / 647.* regional/program offices. A total of 226 employees separated from the agency in early 2015. The EPA paid early-out/buyout incentives of about \$5.6 million and annual leave payments of \$2.2 million, for a total of approximately \$7.8 million. — \*

### OIG Audits of EPA's VERA/VSIP Activities

\* In November 2014, the OIG initiated an audit of EPA's Round 1 VERA/VSIP program to examine workforce restructuring goals, their consistency across offices and progress made to date. In their report (see attachment 5) the OIG made two recommendations to the AA for OARM:

1. monitor the remaining VERA-VSIP activities and
2. determine the value of VERA-VSIP as a workforce tool.

*→ BACKFILL*

*\* files did not OIG audit*

OARM concurred with both recommendations and provided sufficient corrective actions, which have been completed. The corrective actions implemented served as our VERA/VSIP policing effort and included development and quarterly use of Strategic Hiring Templates to track status of all VERA/VSIP vacated positions (attachment 6), use of OPM's HRStat initiative to analyze and monitor restructuring of the workforce (attachment 7) and publication of a VERA-VSIP Impact Report (attachment 8), which details the effects of VERA-VSIP on the agency and provides information on subsequent hiring.

The OIG issued a second report during the course of their initial audit, *Quick Reaction Report: EPA Should Ensure Positions Vacated Under Buyouts Are Eliminated or Properly Filled*, which made a time-sensitive recommendation for improvements to how the EPA was filling positions vacated under VERA-VSIP authorities (see attachment 9). Of the 68 VERA/VSIP vacated positions examined by the OIG in this audit, a total of eight from two offices were found to have been directly backfilled (filled using the same position description as the vacated position). The Agency could have questioned the call on one of these positions but decided against this. Direct backfills violate the spirit of the buyout authorities which requires that VERA/VSIP vacated positions be either eliminated or restructured. The agency took immediate action, implementing a corrective action in the form of strategic hiring templates that were distributed to regions and program offices on a quarterly basis. These hiring templates were designed to track the status of positions vacated through the buyouts, so that positions targeted for elimination were not refilled and positions targeted for restructuring were filled using different position descriptions. The OIG positively supported our corrective action and immediately considered the issue resolved.



## Jackson, Ryan

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**From:** Vizian, Donna  
**Sent:** Friday, September 22, 2017 12:36 PM  
**To:** Jackson, Ryan  
**Cc:** Bloom, David; Cooper, Marian; Flynn, Mike; Darwin, Henry  
**Subject:** RE:

Ryan,

Below is the answer to your questions. Please let me know if you need anything else.

Donna

**From:** Jackson, Ryan  
**Sent:** Friday, September 22, 2017 9:01 AM  
**To:** Vizian, Donna <Vizian.Donna@epa.gov>  
**Cc:** Bloom, David <Bloom.David@epa.gov>  
**Subject:** RE:

One more question. In this buyout as with the previous ones in 2014 where were positions targeted and a small group of offers made with a still smaller group of offers accepted.

I need to get further clarity on targeted and positions where offers were made.

**From:** Vizian, Donna  
**Sent:** Thursday, September 21, 2017 11:20 PM  
**To:** Jackson, Ryan <[jackson.ryan@epa.gov](mailto:jackson.ryan@epa.gov)>  
**Cc:** Bloom, David <[Bloom.David@epa.gov](mailto:Bloom.David@epa.gov)>  
**Subject:** Re:

Ryan I will get you the information tomorrow. The cost is likely because it includes the annual leave payout. I've asked if we can get it broken down between incentive payment and annual leave.

On Sep 21, 2017, at 4:21 PM, Jackson, Ryan <[jackson.ryan@epa.gov](mailto:jackson.ryan@epa.gov)> wrote:

Thanks so much for the package of information. Really great. I've provided a copy of it to Henry too.

Three questions:

- In the 2014 buyouts the money spent divided by the number employees equals some \$34 and \$35K an employee. How was that? The incentive payments amounts \$11.3M/456 or \$24,780 and \$5.6/226 or \$24,778. Keep in mind that most people get the \$25K., which was the maximum back then also. On annual leave - It takes 2 pay periods for the annual leave payout to hit the system- that is Oct 6<sup>th</sup>. I would use the incentive payments for the comparison because the annual leave amount varies by the individuals that are in each offering and we pay out annual when people leave anyway.



- Are the business plans the program offices put together to explain their buyout eligible staff public documents? The documents have not been made public to date. We consulted OGC and they labeled them deliberative. If we want to release them, I will need to have another conversation with OGC.
- In attachment 8 is that a public document and will EPA prepare on for this previous buyout? This have not been made public, but OGC has no issue if we want to release it. We can prepare one for this program if you would like.

You also asked for position information for the 2 previous programs(keep in mind that neither included as many offices as this time):

Program ending 4/4/14: Targeted positions: 5828; Max Offers:1365 Departed Agency:456 (all but 3 offices participated)

Programs ending in 2015: Targeted Positions: 2445 Max Offers: 647; Departed Agency: 226 (10 offices participated)

Ryan Jackson  
Chief of Staff  
U.S. Environmental Protection Agency  
(202) 564-6999

# VERA/VSIP AA/RAShip IMPACTS

	Non-term/Non- Student Employees	Targeted Postions	Targeted Positions as % of Workforce	Max Offers	Max Offers as % of Workforce
OGC	227	3	1.3%	2	0.9%
Region 8	513	48	9.4%	8	1.6%
OAR	1120	67	6.0%	20	1.8%
Region 4	908	26	2.9%	26	2.9%
Region 9	726	168	23.1%	24	3.3%
Region 10	542	44	8.1%	19	3.5%
Region 2	781	105	13.4%	30	3.8%
OCSPP	970	68	7.0%	50	5.2%
OW	576	391	67.9%	30	5.2%
Region 1	547	112	20.5%	36	6.6%
OITA	74	6	8.1%	5	6.8%
OECA	721	506	70.2%	51	7.1%
Region 5	1056	182	17.2%	79	7.5%
OCFO	302	160	53.0%	27	8.9%
OEI	337	180	53.4%	30	8.9%
Region 7	501	168	33.5%	45	9.0%
ORD	1546	296	19.1%	183	11.8%
OARM	690	154	22.3%	98	14.2%
AO	355	139	39.2%	65	18.3%
OLEM	491	219	44.6%	94	19.1%
Region 3	808	411	50.9%	159	19.7%
Region 6	733	217	29.6%	147	20.1%
EPA	14793	3670	24.8%	1228	8.3%



**Office:** **AO**

**Current On-board FTE Level:** **370**

**FY18 Interim FTE Level:** **340**

**Number FTE over/under FY 18 interim level:** **30**

**Strategy to meet the new level by end of FY18:**

The goal the Administrator's Office (AO) is to ensure that we strategically manage and reduce our FTE level. To date AO is in the red by 30 FTE. To that end, AO will immediately begin putting the following steps in place to reduce FTE levels by the end of FY 18 and to only put forth critical Agency hiring priorities. With this strategy and the predicted attrition level of 5%, we believe that we can successfully endure the changes required to meet the needs of our operations throughout the FY2018. The four steps in the strategy are:

**INITIATE EXTERNAL EPA HIRING PAUSE:**

- Pause all EPA external hires for non-critical positions. We will continue to work with our managers to identify other options to perform tasks and project oriented work.
- Pause all hiring actions (reassignments, recruits, conversions, details, etc.) that will increase AO's current FTE number. This will be revisited once an appropriation is passed. At that time, hiring will be based on office-wide and agency priorities and approved by the Acting Deputy Chief of Staff (AO's SRO). Additionally, all current and future actions will be evaluated to determine critical need.
- Evaluate all external details to determine whether the detailee is taking on critical agency/office work; if not the detailee should return to their home office at the end of their term or before the end of FY. Additionally, detailees that are in positions that have pending external hiring actions must be closely evaluated as to long term needs.

**ATTRITION**

- Based upon the data provided to AO from OARM we expect a 5% attrition rate. Therefore, AO could potentially attrite **19** personnel.
- AO also expects that once political appointee's are confirmed they will be reassigned to their respective NPM or Region.

**VERA/VISP:**

- Participate in the VERA/VSIP to include all job series, grades, and SES positions.
- Establish a communication strategy that will allow for us to give an early notice and offer appropriate training, as needed. This strategy will be dependent on the direction and guidance of the Agency as it relates to offering another early out/buyout. Key to this is getting the word out that there will be no 40K buyout option at EPA, and that this will be the last round of VERA/VSIP for the foreseeable future.
- Consider offering a phase out approach as applicable. By doing so, it is intended to develop a healthy level of knowledge retention and tap in to the talent and interest of remain staff. This approach will aide to ease the predicted budget impacts.
- Incorporate a greater use of human capital management tools and practices to help manage commitments at both AO-wide and program office levels. Thereby allowing AO to continue to restructure the Office through the concept of "talent management." AO will continue to review of key



functions; critical functions; and support functions to consider which if any can be handled in other ways with little to no negative impacts on our work.

- IF AO is able to hire we will incorporate the following parameters:
  - Incorporate a 2-for-1 hiring (2 loses = 1 new hire).
  - Support opportunities for personnel to be reassigned to other offices in AO and other AA'ships that have a need and are under ceiling. The person's work would be distributed amongst remaining staff.
  - Use Talent Hub and Skills Market Place to make up for specific skill set shortages.

#### **OTHER**

- Potentially (as funds available) use contract dollars to support key functions or shortages.
- Transfer tasks and /or mission sets to other offices or Regions as appropriate.

#### **IMPACTS OF REDUCED FTE LEVELS**

Losses will impact all operations across AO to varying degrees from slowing processing times for actions, to reducing available time to conduct needed analysis due to no decrease in volume and less available staff; to delays in meeting higher level deadlines. For details see below.

#### **SPECIAL AO HIRING NEEDS**

- See chart below for special AO hiring needs to meet near term critical needs. These requests are limited to needs that are critical to meeting the Agency priorities, are near term and cannot be met from within the office/region.

OFFICE	RECRUITS and JUSTIFICATION
<b>OAES:</b>	<p>Program Analyst, GS-14 (Recruit open to AO only)</p> <p><b>Justification:</b> This position creates coordination and a systematic process to managing AO's contracts, grants, and IPAs at the AO level. In the short-term of using a detailee to implement and perform using this approach, most offices have recognized the value. This is a great example of consolidating work being performed by multiple personnel into one primary function.</p> <p><b>Impact:</b> Processes related to contracts, grants, and IPA's will continue to be inefficient.</p>
<b>OCR:</b>	<p>Director, SES (Management and Recruit open to external to EPA)</p> <p><b>Justification:</b> Establish long-term leadership within the Office of Civil Rights (OCR). OCR is currently managed by an Acting Director and an Acting Deputy Director.</p> <p><b>Impact:</b> Liability and inefficiencies in OCR's operations.</p>
<b>OCIR:</b>	<p>Program Analyst, GS-12/13 (Recruit open to AO only)</p> <p><b>Justification:</b> The agency has a clear and explicit focus on strengthening partnerships with state and local governments and NEPPS is essential in achieving this priority. To carry out the Administrator's strategic goals for cooperative federalism with states, tribes, and local governments, the State and Regional Partnerships Staff will be relied on as a trusted resource for policy and program support and this position will contribute key analyses and complete critical projects in the areas such as PPG policy, flexibility, and utilization, state program delegation and oversight, alternative joint governance approaches, performance measures and accountability, and national guidance development for NEPPS. Note: Hiring Freeze waiver has been provided to Acting Deputy Administrator.</p> <p><b>Impact:</b> Not meet deadlines for oversight requests from Congress</p>
	<p>Program Analyst, GS-12 (PMF) (Recruit open to AO-wide)</p> <p><b>Justification:</b> Air and climate issues will continue to be an area of focus for Congress. OAR has an active regulatory program and the team must be fully staffed to handle the associated workload. Currently there are only 2 permanent FTE on the team. Bringing the staff to at least three members will allow for better management of the workload. Note: Hiring Freeze waiver has been provided to Acting Deputy Administrator.</p> <p><b>Impact:</b> Not meet deadlines for oversight requests from Congress</p>
<b>OPA:</b>	<p>Principal Deputy AA, SES (Management and Recruit open to external to EPA)</p> <p><b>Justification:</b> Establish long-term leadership within the Office of Public Affairs (OPA). OPA, at the Principle Deputy position is currently managed by an Acting SES manager.</p> <p><b>Impact:</b> Inefficiencies related to OPA resource management and operations.</p>
<b>*Awaiting pending external hiring report from OP</b>	

The Honorable Catherine Cortez Masto  
United States Senate  
Washington, D.C. 20510

Dear Senator Cortez Masto:

Thank you for your March 22, 2018, letter to the U.S. Environmental Protection Agency (EPA) regarding closures at EPA's Las Vegas facilities. The Administrator asked that I respond on his behalf.

Since 2012, the U.S. Environmental Protection Agency has released over 517 thousand square feet of office space nationwide resulting in cumulative annual rent avoidance of nearly \$20 million. The EPA is continuing to invest in reconfiguring workspace to align with current workforce levels and to reduce long-term rent costs consistent with the Federal Assets Sale and Transfer Act (FASTA) of 2016.

~~Also, S~~starting in 2012, the agency began discussing with Congress the future of the laboratory located in Las Vegas, Nevada. ~~In addition, . t~~The ORD has had a leasing arrangement with the University of Las Vegas, Nevada for many years, allowing the EPA to rent laboratory and office space on the university campus. The UNLV indicated they are not interested in continuing this arrangement in 2014. Accordingly, EPA begin making preparation for an alternative location to continue this work in that same year. ~~Further and C~~consistent with the government-wide effort to reduce the federal footprint and the FASTA, the agency decided to reduce its footprint by ending operations for the Office of Administration Resources and Management (OARM) and the Office of Research and Development (ORD) in Las Vegas by September 30, 2018.

Operations will continue in federally-owned space in other EPA locations and will reduce the EPA's overall operational costs moving forward. Staff affected by these consolidations have been given the option to relocate to another EPA location or separate from the agency, which includes retirement if applicable. For your awareness, additional details follow.

The OARM conducts human resources transactional services currently through three HR Shared Service Centers including Las Vegas. The centers in Cincinnati, Ohio and Research Triangle Park, North Carolina are in EPA-owned facilities. The HR shared service center in Las Vegas, Nevada, the smallest of the three, is in leased space. Consistent with the FASTA, a decision was made in February 2018 that the work currently being performed by the HR shared service center in Las Vegas, Nevada should transition to the two EPA-owned locations. This determination will ensure the agency continues to provide service in an efficient and cost effective manner. The move will be completed by September 30, 2018.

The current lease with the UNLV expires on September 30, 2020, but given the long history of laboratory work by the EPA and its predecessors, the EPA needs approximately two years to conduct the required sampling and clean-up activities needed to release the space back to the UNLV and to meet Nuclear Regulatory Commission decommissioning and license requirements.

The important research conducted at the Las Vegas location will continue at the agency's laboratories in Research Triangle Park North Carolina. Additionally, laboratory facilities in Colorado will ensure that the EPA meets the requirement of Section 104(e) of the Clean Water Act, which states that the EPA must have laboratory facilities in the southwestern area of the United States near institutions of higher learning.

The EPA's human resources staff of 17 employees have been offered paid relocation to equivalent positions at the EPA's headquarters, Cincinnati or Research Triangle Park offices. Likewise, the agency's research personnel staff of 32 have been offered paid relocation to equivalent positions at Cincinnati, Ohio, Research Triangle Park, North Carolina, Athens, Georgia or other ORD locations. The EPA also received approval by the Office of Personnel Management and the Office of Management and Budget of a Voluntary Early Retirement Authority and Voluntary Separation Incentive Payment package, funded from the FY 2017 Environmental Programs and Management Appropriations Account.

We appreciate your continued support of these important priority areas. If you have further questions, please contact me or your staff may contact Christina Moody in EPA's Office of Congressional and Intergovernmental Relations at [Moody.christina@epa.gov](mailto:Moody.christina@epa.gov) or 202-564-0260.

Sincerely,



# Summary of the EPA's 2107 Voluntary Early Retirement Authority and Voluntary Separation Incentive Payments Programs

## Background

In April 2017, the agency announced that it was initiating an early out/buyout program targeted for completion by the end of September 2017. The agency's business case for requesting VERA/VSIP focused on improving overall efficiency and effectiveness across the enterprise.

Twenty-two of the agency's program/regional offices participated in the effort (all EPA offices except for the Office of the Inspector General).

A total of 3,669 positions were targeted (25% of the workforce) with a maximum of 1,226 offers to be made (8% of the workforce) (see attachment 1).

The top five targeted occupations based on maximum offers to be made were environmental protection specialists (178), physical scientists (148), management and program analysts (130), environmental engineers (99) and miscellaneous administration and program support (70).

The agency received final OPM/OMB approval on July 10, 2017. Two amendments to the authority were requested by the agency and approved by OPM: (1) an allocation flexibility across organizations within a regional/program office and (2) an adjustment to the Office of Water's targeted positions.

## Final Outcomes – Separations and Costs

**A total of 374 employees departed the agency on or prior to September 2, 2017; two additional employees departed on September 30, 2017** (Table 1). The departure of 376 employees, represents 2.5% of the agency's pre-VERA/VSIP workforce.

The occupational series with the most departures were environmental protection specialists (74), management and program analysts (58), physical scientists (41) and environmental engineers (33). These four occupations accounted for 55% of our VERA/VSIP departures which was expected given they were the primary targeted occupations and are the most abundant occupations at the agency (collectively these occupations represent 49% of the workforce.)

The grade distribution of VERA/VSIP departures closely follows the agency's overall grade structure. The majority of departures were grades 13-15, representing approximately 79% of all departures. Approximately 20% were grades 12 and below and less than 1% were outside of the general schedule pay plan.

The lump sum costs for the 376 departing employees are as follow:

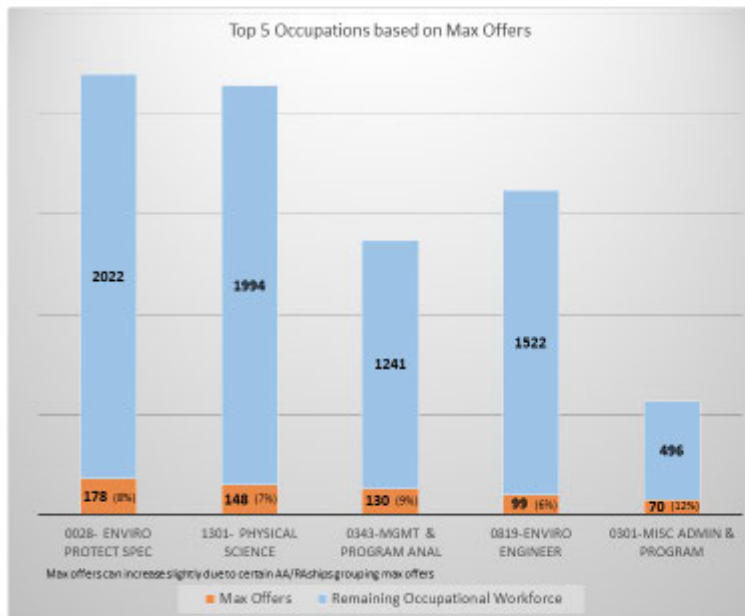
- Total Cost: approximately \$9.3 M
- 371 employees received full \$25K
- Two employees declined the buyout
- Three employees received slightly less than \$25K

(Note that VSIP payments are computed based on the severance an employee would be entitled to receive in accordance with federal law, with a \$25,000 maximum.)

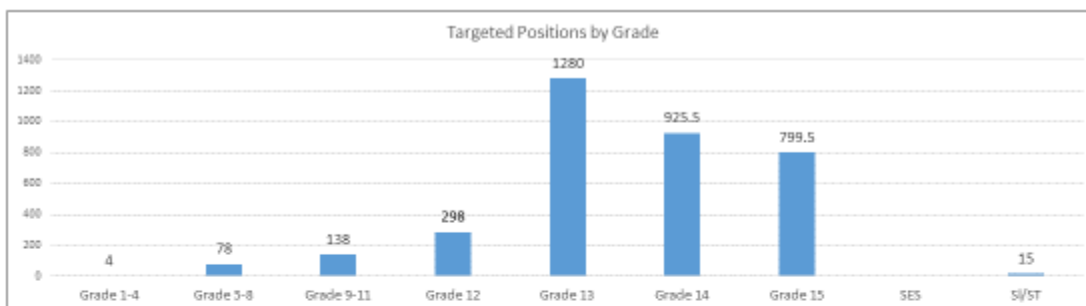
Table 1. Final V/V separations for Regional and Program Offices.

AA Ship/Region	Total	Accepted	Withdrew	Not Eligible	Declined	Separated
AO	14	11		1	2	11
OAR	4	3			1	3
OARM	31	25			6	25
OCFO	17	15			2	15
OCSPP	15	10		2	3	10
OECA	48	39	1		8	39
OEI	17	16			1	16
OGC	2	2				2
OITA	3	2			1	2
OLEM	20	15	1		4	15
ORD	32	29	1		2	29
OW	24	18	1		5	18
Region 1	27	20			7	20
Region 10	7	5			2	5
Region 2	9	7		1	1	7
Region 3	59	41	6	1	11	41
Region 4	28	19	1	4	4	19
Region 5	32	28	1		3	28
Region 6	39	29	3	1	6	29
Region 7	33	29			4	29
Region 8	4	2		2		2
Region 9	15	11	1		3	11
Total	480	376	16	12	76	376

## VERA/VSIP SUMMARY



- Max Offer = 8% of total workforce
- Targeted Positions = 25% of total workforce
- Office/Region with highest percentage of maximum offers: Region 6, Region 3, OLEM, AO and OARM
- Office/Region with lowest percentage of maximum offers: OGC, Region 8, OAR, Region 4 and Region 9
- Most impactful "Theme": Restructure or reduce highly graded supervisory and non-supervisory positions (4% of the workforce)







**February 27, 2020**

**MEMORANDUM**

**SUBJECT:** Voluntary Early Retirement Authority and Voluntary Separation Incentive Payment Opportunities

**FROM:** Jane Nishida, Acting Assistant Administrator  
Office of International and Tribal Affairs

**TO:** All OITA Employees

This is a follow-up to Acting Deputy Administrator Mike Flynn's messages last month to all agency employees regarding Voluntary Early Retirement Authority and Voluntary Separation Incentive Payment opportunities. I am pleased to let you know that the U.S. Office of Personnel Management and the U.S. Office of Management and Budget have approved our request to offer VERA/VSIP opportunities to a limited number of EPA employees.

An employee whose position is in the VERA/VSIP pool will be receiving a separate letter from me. The letter will provide specifics on the application process; please be aware the application period opens on July 13, 2017 and closes at 11:59 p.m. Eastern standard time on July 26, 2017. Employees must depart the agency by September 2, 2017.

The decision to take advantage of a VERA or VSIP is entirely voluntary. This is a very personal decision and no one is required to accept an offer. Employees are urged to carefully consider the information provided and their personal situation prior to deciding. Please contact Dennis Cunningham with any questions you may have about our VERA/VSIP.

**Insert Date**

**MEMORANDUM**

**SUBJECT:** Voluntary Separation Incentive Payment and Voluntary Early Retirement Authority Opportunities

**FROM:** **Insert Name**  
**Insert Title (Assistant or Regional Administrator)**

**TO:** Employees in Targeted Positions in **{Insert Region or AAship}**

The U.S. Office of Personnel Management and the U.S. Office of Management and Budget have approved our request to offer Voluntary Separation Incentive Payment (buy-out) and Voluntary Early Retirement Authority (early-out) opportunities. As our organization explores various workforce planning efforts, we want to take advantage of these and other flexibilities and tools to help ensure that our workforce possesses the mix of skills most appropriate for carrying out our mission. This decision was not made lightly; we value our dedicated employees and appreciate the work you perform on behalf of the American people.

In accordance with statute and regulations, we identified the specific grades, occupational series, and geographic locations designated for VERA and VSIP for OPM and OMB, and have received their approval for the categories identified in Attachment A. The maximum number of VSIPs offered will be **INSERT #**. If the number of applications received exceeds the maximum number of VSIPs we can offer under one of the categories identified in Attachment A, approvals will be based first on service computation date for leave and then on entry on duty date (total EPA years of service). If the SCD and EOD dates are the same for two eligible employees, then the offer will be granted to the employee who submitted his or her application first. Attachment A also shows the maximum number of VSIP offers that will be approved by organization, grade, occupational series, and geographic location, as applicable.

You can find basic eligibility criteria for VSIPs and VERAs in Attachment B. The **{INSERT servicing SSC: Research Triangle Park, Las Vegas, Cincinnati or Executive Resources Division}** can provide you with more information regarding your benefits and retirement, and can assist you with obtaining a retirement annuity estimate. Attachment C provides a list of your **{INSERT servicing SSC or ERD}** contacts.

If you decide to apply, you should do so early in the application period, which opens today, July 13, 2017 and closes at 11:59 p.m. Eastern standard time on July 26, 2017. Applications submitted between July 13, 2017 and 11:59 p.m. EST, July 26, 2017, will be accepted on a first come, first served basis if the number of applications does not exceed the maximum VERA/VSIP offers available.

Applications will only be accepted during this period using the [online application system](#). Specific instructions on how and when to apply are in Attachment D. If your application is approved and you decide to proceed with VERA and/or VSIP, you must depart during the separation window which ends on September 2, 2017.

The decision to take advantage of a VERA or VSIP is **entirely voluntary**. This is a very personal decision. No one will be pressured to submit an application, and no one is required to accept an offer. You are urged to carefully consider the information provided and your personal situation prior to making a decision.

We will continue to provide anyone considering this decision with useful information and expert contacts. We plan to use all flexibilities and tools available to help **INSERT NAME OF REGION OR AAship** most effectively support both individual employees as well as the agency's strategic mission.

Thank you.

Attachments

**APPROVED EMPLOYEE CATEGORIES FOR VERA AND VSIP**

**PLEASE INSERT YOUR PROGRAM/REGION'S TARGETED POSITION DATA PROVIDED TO OPM. THE DATA SHOULD INCLUDE THE FOLLOWING AS APPROPRIATE: ORGANIZATION, TITLE, SERIES, GRADE, GEOGRAPHIC LOCATION, AND MAXIMUM NUMBER OF VSIP OFFERS BY ORGANIZATION/SERIES/GRADE/LOCATION.**



## VOLUNTARY SEPARATION INCENTIVE PAYMENT (VSIP) AND VOLUNTARY EARLY RETIREMENT AUTHORITY (VERA) ELIGIBILITY

**NOTE: This chart is intended to provide information about general eligibility. If you have any questions about whether or not you meet any of the criteria, you should apply, so the Human Resources Shared Service Center can make an official determination.**

<b>You ARE eligible for a VSIP if you:</b>	<b>You ARE eligible for VERA if you:</b>	<b>You are NOT eligible for VSIP if you:</b>
are serving under an appointment without time limitation	meet the minimum age and service requirements: <ul style="list-style-type: none"> <li>- at least age 50 with at least 20 years of credible federal service OR</li> <li>- any age with at least 25 years of creditable federal service</li> </ul>	are a reemployed annuitant
have been currently employed by the federal government for a continuous period of at least three years	have been continuously employed by the Agency for at least 31 days before the date your region or program office initially requested OPM approval for VERA	have a disability such that you are or would be eligible for disability retirement
are serving in a position covered by your region or program office's VSIP offer	are serving under an appointment without time limitation	have received a decision notice of involuntary separation for misconduct or unacceptable performance
apply for and receive approval for a VSIP from the Agency	have not received a final removal decision based on misconduct or unacceptable performance	have previously received a VSIP from the federal government
separate by September 2, 2017	are serving in a position covered by your region or program office's VERA offer	performed service during the 36-month period preceding the date of separation for which a student loan repayment benefit was paid or is to be paid
	retire under the VERA option during your program or region's VERA window	performed service during the 24-month period preceding the date of separation for which a recruitment or relocation bonus was paid or is to be paid
		performed service during the 12-month period preceding the date of separation for which a retention bonus was paid or is to be paid

## POINTS OF CONTACT

If you have questions about retirement and benefits or general questions about VERA and VSIP, please contact the {Servicing SSC or ERD} as shown below. You may also contact the {servicing SSC or ERD} if you have questions about FedHR Navigator (the on-line retirement annuity tool) or wish to have a retirement estimate prepared.

Email: {[POC Email(s)]} with “VERA/VSIP Related Request” in your email subject line.

Telephone: {Number(s)}

If you have specific questions about **INSERT REGION OR AASHIP’S NAME** VERA or VSIP package, please contact **INSERT NAME, TELEPHONE NUMBER, AND EMAIL FOR THE POINT OF CONTACT FOR REGION OR AASHIP.**

## HOW AND WHEN TO APPLY FOR VERA AND VSIP

<b>Before You Apply</b>	<p>Read the memorandum from your region or program office announcing the VERA and VSIP. You should ensure that you are in a targeted position by reviewing Attachment A. <b>If you are interested in the VERA and/or VSIP but are unsure about your eligibility, you should apply during the application window, so the {Human Resources Shared Service Center or ERD} can make an official determination.</b></p> <hr/>
<b>Where to Find Additional Information</b>	<p>The Office of Personnel Management has information on its website regarding <a href="#">VERAs</a> and <a href="#">VSIPs</a>. You may also view additional information on the agency's VERA/VSIP <a href="#">intranet</a> site. If you need additional information, please call or email the {servicing SSC or ERD} points of contact identified in Attachment C.</p> <hr/>
<b>Estimating Retirement Pay</b>	<p>There are two methods for you to obtain an annuity estimate. The <a href="#">FedHR Navigator</a> allows you to estimate your own basic annuity. A webinar with instructions on using the FedHR Navigator can be found at <a href="http://intranet.epa.gov/policy/buyouts/pdfs/FHR-Navigator-Webinar.pdf">http://intranet.epa.gov/policy/buyouts/pdfs/FHR-Navigator-Webinar.pdf</a>. Or, you may contact the {servicing SSC or ERD} identified in Attachment C to request an annuity estimate.</p> <hr/>
<b>Application Window</b>	<p>The application window (the time during which you must apply for a VERA or VSIP) opens July 13, 2017 and closes at 11:59 pm Eastern standard time on July 26, 2017. Applications submitted between July 13, 2017 and 11:59 p.m. EST, July 26, 2017, will be accepted on a first come, first service basis. Applications submitted after 11:59 p.m. EST, July 26, 2017, will not be considered.</p> <hr/>
<b>Application Process</b>	<p><b>Step 1:</b> From your EPA computer, login to the online application at <a href="http://drupal.rtp.epa.gov/veravsip/">http://drupal.rtp.epa.gov/veravsip/</a></p> <p><b>Step 2:</b> Complete your application and press submit when you have fully completed all of the blocks. If you need assistance completing this form and/or you require an alternative application method, please contact your {HR SSC or ERD} identified in Attachment C for assistance in submitting an application.</p> <p><b>You should apply early in the application window in case you experience any problems or issues in applying.</b></p> <p><b>Step 3:</b> You will receive an email notification from the VERA/VSIP online system when your application has been received.</p> <hr/>
<b>After You Apply</b>	<p>The {servicing SSC or ERD} will review your application and notify you of your eligibility. You should receive a notification no later than August 2, 2017. If you are eligible and your application is approved, the {servicing SSC or ERD} will ask you to complete the necessary paperwork to process your separation.</p>

# Historical Attrition

- Avg attrition since 2013 = 72 per year (6-7%)
- Order of attrition (highest to lowest): OAQPS, OTAQ, OAP, ORIA, OAA
  - OAQPS and OTAQ are also the 1<sup>st</sup> & 2<sup>nd</sup> largest offices
- Attrition to date in 2017 is 52 total:
  - OAA = 4
  - OAP = 10
  - OAQPS = 25
  - ORIA = 2
  - OTAQ = 11



## Projected attrition

- Expectation consistent w/ rate of attrition would have 20-30 people leaving Apr-Sept.
- However, timing of attrition has  $\frac{1}{2}$  leaving in first 6 months and the rest leaving in last 6 months, so could mean 50+ more for FY17.
- No reliable office projections through 2017.
- Assuming slightly higher attrition through FY2018 with no other factor, onboards at end of FY2018 would be ~1,010.

# OAR's 2014 VERA/VSIP

- Three offices participated: OAA, OAP, ORIA
- Each had a different business case:
  - OAA – downgrade positions
  - OAP – consolidate MOS functions
  - ORIA – redirect administrative positions to professional series & downgrade
- 39 offers made available to 112 positions
- 9 offers were accepted:
  - 6 optional retirement
  - 3 early retirement

which? why?

# Current eligibility

- % eligible for regular AND early retirement (VERA):
  - OAA = 42% (22)
  - OAP = 27% (62)
  - OAQPS = 39% (138)
  - ORIA = 56% (80)
  - OTAQ = 44% (153)
- % eligible for buyout (VSIP) only: — formula?
- OAA = 48%
- OAP = 62%
- OAQPS = 47%
- ORIA = 34%
- OTAQ = 47%

⊗ locate info we gave to  
OS of front for 2014

Missing elements from OMB memo?  
Frame in terms of OMB tells us xyz...

## Options for Workforce Reshaping

- 1) Consolidate units to reduce positions due to changes in program priority (program disinvestment model)
- 2) Consolidate units to reduce mission support positions (shared service or OAP model) *OTAA*
- 3) Consolidate units to reduce management positions or eliminate certain management positions (reinventing government model)
- 4) Eliminate or redirect mission support or overhead positions in favor of line positions (ORIA model)
- 5) Regrade positions downward to reduce payroll costs (OAA model)

6) Efficiency tried to  
start up VSB maint-  
enance (marginal  
costs)

*Narrative*  
- current stance w/rt 2014  
- attrition projection by office to extent possible  
- applicability of V/S based on OMB memo  
- Mechanics involved - position grade tied to big costs



# Implications

- OAR could end the year as much as 52 FTE below 2016 ceiling if 2<sup>nd</sup>-half attrition matches 1<sup>st</sup> half of year.
- The 2014 buyout had a 23% acceptance rate, but it was also very limited in scope. A broader offer might be more popular.
- No obvious option for an OAR-wide restructuring proposal apart from administrative consolidation (not recommended). Basis & objectives would likely vary by office.
- Normative, office-by-office workforce restructuring would likely produce only marginal position reductions.
  - Regrading positions per se doesn't save FTE

# VERA/VSIP AA/RAship IMPACTS

	Non-term/Non- Student Employees	Targeted Positions	Targeted Positions as % of Workforce	Max Offers	Max Offers as % of Workforce
OGC	227	2	0.9%	2	0.9%
Region 8	513	48	9.4%	8	1.6%
OAR	1120	67	6.0%	20	1.8%
Region 4	908	26	2.9%	26	2.9%
Region 9	726	168	23.1%	24	3.3%
Region 10	542	85.6	15.8%	19	3.5%
Region 2	781	104	13.3%	30	3.8%
OCSP	970	68	7.0%	50	5.2%
OW	576	391	67.9%	30	5.2%
Region 1	547	112	20.5%	36	6.6%
OITA	74	6	8.1%	5	6.8%
OECA	721	506	70.2%	51	7.1%
Region 5	1056	189	17.9%	79	7.5%
OCFO	302	160	53.0%	27	8.9%
OEI	337	180	53.4%	30	8.9%
Region 7	501	170	33.9%	45	9.0%
ORD	1546	239	15.5%	183	11.8%
OARM	690	134	19.4%	98	14.2%
AO	355	139	39.2%	65	18.3%
OLEM	491	219	44.6%	94	19.1%
Region 3	808	411	50.9%	159	19.7%
Region 6	733	217	29.6%	147	20.1%
EPA	14707	3641.6	24.8%	1228	8.3%

VERA/VSIP  
AA/RAShip IMPACTS

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Region 5	1056	189	17.9%	79	7.5%
OCFO	302	160	53.0%	27	8.9%
OEI	337	180	53.4%	30	8.9%
Region 7	501	170	33.9%	45	9.0%
ORD	1546	239	15.5%	183	11.8%
OARM	690	134	19.4%	98	14.2%
AO	355	139	39.2%	65	18.3%
OLEM	491	219	44.6%	94	19.1%
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Region 6	733	217	29.6%	147	20.1%
<b>EPA</b>	<b>14707</b>	<b>3641.6</b>	<b>24.8%</b>	<b>1228</b>	<b>8.3%</b>

## Memorandum For OARM Las Vegas Employees

From: Donna J. Vizian

Subject: Closure of the Las Vegas Human Resources Shared Service Center (HRSSC)

As you may recall over the last few years, efforts were made to consider building an EPA facility in the Las Vegas metro area in concert with the decision to vacate space on the UNLV campus. However, Congress did not appropriate funds for the new facilities. Further, former President Obama signed into law the Federal Assets Sale and Transfer Act of 2016, which requires Executive Branch Agencies to report on space utilization and reduce leased space by consolidating in government-owned buildings. With these events, it became clear that there was no longer a viable path to maintain an OARM presence in Las Vegas. As a result, the agency is implementing a plan to move the OARM Las Vegas Human Resources Shared Service Center (HRSSC) operations into EPA owned facilities in Cincinnati Ohio or Research Triangle Park in North Carolina. This will require current OARM Las Vegas federal employees to evaluate career options regarding relocating to one of the aforementioned geographic HRSSC locations.

All OARM Las Vegas federal employees will be given the option to relocate to one of the two existing EPA owned HRSSC sites. The timeline for all completed moves is July 31, 2018. This will allow time for the physical turnover of the current OARM Las Vegas leased space to be completed by September 30, 2018. After September 30, 2018, there will be no OARM operations or work located in Las Vegas. Thus, all OARM HRSSC Las Vegas federal employees will be given the opportunity (via management directed reassignment) to relocate at their same grade and series as currently assigned. As a part of the relocation efforts, OARM will be offering full relocation benefits to current Las Vegas HRSSC federal employees interested in relocating to the Cincinnati HRSSC or the Research Triangle Park HRSSC. The following timeline will be used for the move:

- a. October 17, 2017: Notify employees
- b. November 30, 2017: Receive feedback from Las Vegas HRSSC employees on relocation desires via survey (attached)
- c. January 1 – June 30, 2018: Employees relocate to other EPA HRSSC locations
- d. July 1 – July 31, 2018: Transfer of files and EPA equipment to other EPA HRSSC locations
- e. August 1 – September 30, 2018: Transfer physical office space to GSA

For those not desiring to relocate to either Cincinnati or Research Triangle Park, EPA will be offering a special VERA/VSIP to eligible employees. Over the next few months, additional information will be provided regarding options to those interested in either relocating to either of the existing EPA HRSSCs or separation incentives. Those not interested in accepting the management directed reassignment options or separation incentive will be separated from federal employment as there will be no OARM work continued in the Las Vegas metro area. I want to be clear that I share your concerns that decisions to move our HRSSC activities impact our staff and their families. As a management staff, we have worked hard to retain space where possible to minimize the impact on staff and we will continue to do so while also meeting our responsibilities to accomplish the Agency's mission in an efficient and cost effective manner.

## **OARM Las Vegas Human Resources Shared Service Center (HRSSC) Federal Staff Relocation Options Survey**

Name: \_\_\_\_\_

Grade: \_\_\_\_\_

Series: \_\_\_\_\_ Full Performance Level Grade (if any): \_\_\_\_\_

Service Computation Date: \_\_\_\_\_

### **Relocation or separation incentives interest:**

Please initial your desire and current interest in the following options being offered by the Agency to all current federal Las Vegas HRSSC staff as a result of the decision to relocate OARM HRSSC operations.

A: \_\_\_\_\_ I intend to accept relocation to the Cincinnati HRSSC to include all PCS entitlements associated with the move.

B: \_\_\_\_\_ I intend to accept relocation to the Research Triangle Park HRSSC to include all PCS entitlements associated with the move.

C: \_\_\_\_\_ I am interested in accepting a special OARM Las Vegas HRSSC VERA offer

D: \_\_\_\_\_ I am interested in accepting a special OARM Las Vegas HRSSC VSIP offer

E: \_\_\_\_\_ I am not interested in relocating to either existing EPA HRSSC location

F: \_\_\_\_\_ I do not intend on accepting any separation incentive offered by EPA

G: \_\_\_\_\_ I intend to pursue other agency employment opportunities via USAJobs

H: \_\_\_\_\_ I intend to pursue other federal employment opportunities via USAJobs

I: \_\_\_\_\_ I intend to resign/separate from EPA federal service

J: \_\_\_\_\_ I am eligible to voluntarily retire and will do so NLT July 31, 2018

By initialing the above options, it does not preclude you from at any later date of changing your mind to accept a relocation incentive or separation incentive unless so stated in either option at a later date.

By signing below, you acknowledge that you have been provided an opportunity to express interest in continued EPA HRSSC employment opportunities or to participate in a separation incentive program offered by the agency as a result of the decision of management to move all associated OARM work related operations to an existing EPA owned HRSSC work location. You also acknowledge that after the announced date of the office work relocation (July 31, 2018) that failure to accept an offer by the agency will result in a separation.

Name: \_\_\_\_\_ Date: \_\_\_\_\_



## **MEMORANDUM**

**SUBJECT:** Closure of the Las Vegas Human Resources Shared Service Center

**FROM:** Donna J. Vizian, Acting Assistant Administrator

**TO:** OARM Las Vegas Employees

I am following up on our recent discussion regarding the agency's decision to relocate the OARM Las Vegas Human Resources Shared Service Center into EPA owned facilities in Cincinnati, Ohio, or Research Triangle Park in North Carolina. All OARM Las Vegas federal employees will be given the option to relocate to one of the two existing EPA-owned HRSSC operations at their current grade and series. All moves will be completed by July 31, 2018, allowing the agency time to release the OARM Las Vegas leased space by September 30, 2018. After that date, there will no longer be an OARM presence in Las Vegas. OARM is also offering relocation benefits to Las Vegas HRSSC federal employees interested in relocating to Cincinnati or RTP. Below is the timeline for the move:

- a. November 30, 2017: Las Vegas HRSSC employees indicate preference using the attached survey
- b. January 1 – June 30, 2018: Las Vegas HRSSC employees relocate to another EPA HRSSC location
- c. July 1 – July 31, 2018: EPA transfers files and equipment to the appropriate EPA HRSSC location
- d. August 1 – September 30, 2018: EPA releases leased space to the General Services Administration

For those LV HRSSC federal employees not wanting to relocate, the EPA will be requesting authority from the Office of Personnel Management and the Office of Management and Budget to offer VERA/VSIP to eligible employees.

Over the next few months, we will be communicating regularly with you regarding these options. Those employees not interested in either option will be separated from federal employment since there will no longer be an OARM presence in the Las Vegas metro area.

Please submit the completed attached survey to \_\_\_ by November 30, 2017. Thank you for working with us during this difficult time of transition. Please contact ---- with any questions you may have.

Attachment

**OARM Las Vegas Human Resources Shared Service Center  
Federal Staff Relocation Options Survey**

Name:

Email:

Telephone Number:

Grade:

Series:

Full Performance Level Grade (if any):

Service Computation Date:

**Relocation or Separation Interest:**

Please initial your interest by checking one of the following options being offered by the agency to Las Vegas HRSSC federal employees:

\_\_\_\_\_ I intend to accept relocation to the Cincinnati HRSSC to include PCS entitlements associated with the move.

\_\_\_\_\_ I intend to accept relocation to the Research Triangle Park HRSSC to include PCS entitlements associated with the move.

\_\_\_\_\_ I am interested in applying for VERA if offered at OARM Las Vegas HRSSC.

\_\_\_\_\_ I am interested in applying for VSIP if offered at OARM Las Vegas HRSSC.

\_\_\_\_\_ I intend to pursue other agency employment opportunities.

\_\_\_\_\_ I intend to pursue other federal employment opportunities.

\_\_\_\_\_ I intend to resign/separate from federal service.

\_\_\_\_\_ I am eligible to voluntarily retire and will do so by July 31, 2018.

By initialing the above option, you are not precluded from changing your mind to accept a relocation incentive or separation incentive unless so stated in either option.

By signing below, you acknowledge that you have been provided an opportunity to express interest in an EPA HRSSC employment opportunity or participate in a VERA/VSIP offered by

the agency. This is a result of the decision to relocate all OARM operations to EPA- owned HRSSCs. You also acknowledge that after July 31, 2018, failure to accept one of these options will result in separation from federal government employment.

Name: \_\_\_\_\_ Date: \_\_\_\_\_

February 27, 2020

**MEMORANDUM**

**SUBJECT:** Voluntary Separation Incentive Payment and Voluntary Early Retirement Authority Opportunities

**FROM:** Jane Nishida, Acting Assistant Administrator  
Office of International and Tribal Affairs

**TO:** Employees in Targeted Positions in OITA

The U.S. Office of Personnel Management and the U.S. Office of Management and Budget have approved our request to offer Voluntary Separation Incentive Payment (buy-out) and Voluntary Early Retirement Authority (early-out) opportunities. As our organization explores various workforce planning efforts, we want to take advantage of these and other flexibilities and tools to help ensure that our workforce possesses the mix of skills most appropriate for carrying out our mission. This decision was not made lightly; we value our dedicated employees and appreciate the work you perform on behalf of the American people.

In accordance with statute and regulations, we identified the specific grades, occupational series, and geographic locations designated for VERA and VSIP for OPM and OMB, and have received their approval for the categories identified in Attachment A. The maximum number of VSIPs offered will be five (5). If the number of applications received exceeds the maximum number of VSIPs we can offer under one of the categories identified in Attachment A, approvals will be based first on service computation date for leave and then on entry on duty date (total EPA years of service). If the SCD and EOD dates are the same for two eligible employees, then the offer will be granted to the employee who submitted his or her application first. Attachment A also shows the maximum number of VSIP offers that will be approved by organization, grade, occupational series, and geographic location, as applicable.

You can find basic eligibility criteria for VSIPs and VERAs in Attachment B. The **Las Vegas HR Shared Service Center (SSC)** can provide you with more information regarding your benefits and retirement, and can assist you with obtaining a retirement annuity estimate. Attachment C provides a list of your SSC contacts.

If you decide to apply, you should do so early in the application period, which opens on July 13, 2017 and closes at 11:59 p.m. Eastern standard time on July 26, 2017. Applications submitted between 12:00 a.m. EST, July 13, 2017 and 11:59 p.m. EST, July 26, 2017, will be accepted on a first come, first served basis if the number of applications does not exceed the maximum VERA/VSIP offers available.

Applications will only be accepted during this period using the [online application system](#). Specific instructions on how and when to apply are in Attachment D. If your application is approved and you decide to proceed with VERA and/or VSIP, you must depart during the separation window which ends on September 2, 2017.

The decision to take advantage of a VERA or VSIP is **entirely voluntary**. This is a very personal decision. No one will be pressured to submit an application, and no one is required to accept an offer.

You are urged to carefully consider the information provided and your personal situation prior to making a decision.

We will continue to provide anyone considering this decision with useful information and expert contacts. We plan to use all flexibilities and tools available to help OITA most effectively support both individual employees as well as the agency's strategic mission.

Thank you.

Attachments



**APPROVED EMPLOYEE CATEGORIES FOR VERA AND VSIP**

Series	Position Title	Grade(s)	Maximum # of VSIP Applications Accepted
0301	International Environmental Program Specialist	14/15	3
0028	Environmental Protection Specialist	13	1
0303	International Program Assistant	09	1

## VOLUNTARY SEPARATION INCENTIVE PAYMENT (VSIP) AND VOLUNTARY EARLY RETIREMENT AUTHORITY (VERA) ELIGIBILITY

**NOTE: This chart is intended to provide information about general eligibility. If you have any questions about whether or not you meet any of the criteria, you should apply, so the Human Resources Shared Service Center can make an official determination.**

<b>You ARE eligible for a VSIP if you:</b>	<b>You ARE eligible for VERA if you:</b>	<b>You are NOT eligible for VSIP if you:</b>
are serving under an appointment without time limitation	meet the minimum age and service requirements: <ul style="list-style-type: none"> <li>- at least age 50 with at least 20 years of credible federal service OR</li> <li>- any age with at least 25 years of creditable federal service</li> </ul>	are a reemployed annuitant
have been currently employed by the federal government for a continuous period of at least three years	have been continuously employed by the Agency for at least 31 days before the date your region or program office initially requested OPM approval for VERA	have a disability such that you are or would be eligible for disability retirement
are serving in a position covered by your region or program office's VSIP offer	are serving under an appointment without time limitation	have received a decision notice of involuntary separation for misconduct or unacceptable performance
apply for and receive approval for a VSIP from the Agency	have not received a final removal decision based on misconduct or unacceptable performance	have previously received a VSIP from the federal government
separate by September 2, 2017	are serving in a position covered by your region or program office's VERA offer	performed service during the 36-month period preceding the date of separation for which a student loan repayment benefit was paid or is to be paid
	retire under the VERA option during your program or region's VERA window	performed service during the 24-month period preceding the date of separation for which a recruitment or relocation bonus was paid or is to be paid
		performed service during the 12-month period preceding the date of separation for which a retention bonus was paid or is to be paid

## **POINTS OF CONTACT**

If you have questions about retirement and benefits or general questions about VERA and VSIP, please contact the Las Vegas HR Shared Service Center (SSC) as shown below. You may also contact the Las Vegas SSC if you have questions about FedHR Navigator (the on-line retirement annuity tool) or wish to have a retirement estimate prepared.

Las Vegas HR SSC contacts: **Elaine Jimenez** at 702-798-2402 or **Crystal Ponich** at 702-798-2424.

Alternatively, you can email the SSC's Employee Services/Benefits group email box at: [ESB\\_SSC\\_LV@epa.gov](mailto:ESB_SSC_LV@epa.gov) with *VERA/VSIP Related Request* in your email subject line.

If you have specific questions about OITA's VERA or VSIP package, please contact Dennis Cunningham ([Cunningham.dennis@epa.gov](mailto:Cunningham.dennis@epa.gov)) at 202-564-6622.

## HOW AND WHEN TO APPLY FOR VERA AND VSIP

<b>Before You Apply</b>	<p>Read the memorandum from your region or program office announcing the VERA and VSIP. You should ensure that you are in a targeted position by reviewing Attachment A. <b>If you are interested in the VERA and/or VSIP but are unsure about your eligibility, you should apply during the application window, so the Las Vegas SSC can make an official determination.</b></p> <hr/>
<b>Where to Find Additional Information</b>	<p>The Office of Personnel Management has information on its website regarding <a href="#">VERAs</a> and <a href="#">VSIPs</a>. You may also view additional information on the agency's VERA/VSIP <a href="#">intranet</a> site. If you need additional information, please call or email the Las Vegas SSC points of contact identified in Attachment C.</p> <hr/>
<b>Estimating Retirement Pay</b>	<p>There are two methods for you to obtain an annuity estimate. The <a href="#">FedHR Navigator</a> allows you to estimate your own basic annuity. A webinar with instructions on using the FedHR Navigator can be found at <a href="http://intranet.epa.gov/policy/buyouts/pdfs/FHR-Navigator-Webinar.pdf">http://intranet.epa.gov/policy/buyouts/pdfs/FHR-Navigator-Webinar.pdf</a>. Or, you may contact the Las Vegas SSC identified in Attachment C to request an annuity estimate.</p> <hr/>
<b>Application Window</b>	<p>The application window (the time during which you must apply for a VERA or VSIP) opens July 13, 2017 and closes at 11:59 pm Eastern standard time on July 26, 2017. Applications submitted between 12:00 a.m. EST, July 13, 2017 and 11:59 p.m. EST, July 26, 2017, will be accepted on a first come, first service basis. Applications submitted after 11:59 p.m. EST, July 26, 2017, will not be considered.</p> <hr/>
<b>Application Process</b>	<p><b>Step 1:</b> From your EPA computer, login to the online application at <a href="http://drupal.rtp.epa.gov/veravsip/">http://drupal.rtp.epa.gov/veravsip/</a></p> <p><b>Step 2:</b> Complete your application and press submit when you have fully completed all of the blocks. If you need assistance completing this form and/or you require an alternative application method, please contact the Las Vegas SSC point of contact identified in Attachment C for assistance in submitting an application.</p> <p><b>You should apply early in the application window in case you experience any problems or issues in applying.</b></p> <p><b>Step 3:</b> You will receive an email notification from the VERA/VSIP online system when your application has been received.</p> <hr/>
<b>After You Apply</b>	<p>The Las Vegas SSC will review your application and notify you of your eligibility. You should receive a notification no later than August 2, 2017. If you are eligible and your application is approved, the Las Vegas SSC will ask you to complete the necessary paperwork to process your separation.</p>

## Workforce Planning Options

OARM considered 2 workforce planning tools: VERA/VSIP and Reduction in Force. Both of these tools require that the agency develop a business case that identifies how the agency will accomplish the reduction. They both require that we identify positions to be eliminated. We looked at an estimated timeline that is aggressive for both processes. From the point that we have clarity of what positions/programs would be targeted/eliminated, a V/V would take a minimum of 4 months and a RIF approximately 10 months. Cost estimates are very difficult without specifics, particularly for a RIF where it is very dependent on an individual's circumstance. However, for comparison purposes, we looked at the cost of reducing by 2600 using both tools (though it is unrealistic to think we can achieve a reduction of 2600 through a V/V because it is voluntary). The V/V estimate is \$98M. The RIF estimate is \$163M. The V/V estimate is calculated on the high end.

Should we sustain a significant FTE reduction, OARM's recommendation is to proceed with a V/V with the goal of staff departures in a window ending January 1, 2018.

### VERA/VSIP

1. 45-60 days
  - Obtain retirement data
  - Estimate costs
  - Develop business case in collaboration with OPM and OMB (i.e., identify positions targeted and explain how agency will meet its mission needs)
  - Notify unions
2. 30-45 days  
OPM approval
3. 30-45 days
  - Notify unions of OPM approved plan
  - Issue employee notifications
4. 60-90 days  
Separations

### VERA/VSIP Costs

	Total Cost
2,600 departures—all buyouts (2,600 employees X \$25K)	\$65M
Annual leave payout* (\$52.99/hr X 240 hrs X 2,600 employees)	\$33.066M
	\$98.066M

\*assumes salary for an average grade EPA employee (GS-13 step 6) using DC locality pay; 240 hours as maximum annual leave payout



## Considerations

- V/V is voluntary
- Critical positions should not be targeted because we will not be able to rehire for them
- Effort should be position-focused, not employee-focused

## **Reduction in Force**

### **I. Reduction in Force - Action Required and Estimated Timeline**

To be prepared to run a Reduction in Force (RIF) the Agency will need to take the following Preliminary actions. Determining the business case (step 6) would happen concurrently with steps 1-5. Note – these are projected estimates only and some steps will run concurrently.

1. Review, validate and update the last 4 years of Performance Ratings to ensure all ratings are accounted for in the Personnel System. Track down and enter all missing summary ratings. This is required to ensure proper allocation of service credit under OPM RIF Regulations for performance.

*Estimated time to complete – 60-90 days*

2. Establish and code appropriate Competitive Levels for all EPA employees. This is a complicated task that is required in order to run a RIF. All positions will need to be reviewed and HR staff will have to determine the proper codes to apply to each – based on series, grade and similarity of job qualification requirements.

*Estimated time to complete – 120 days – can run concurrent with validation of PARS documents.*

3. Review and Validate Service Computation Dates (SCDs) and E-OPF accuracy. This is necessary to ensure SCDs are accurate and all military buy backs or prior service has been properly credited.

*Estimated time to complete: 180 days – can run concurrent with the above steps.*

4. Review and Validate Veteran's Preference codes for all employees to ensure proper credit for veteran status is applied.

*Estimated time to complete – 180 days – can run concurrent with SCD review.*

5. Determine employee's adjusted RIF SCD and Review all essential data for each employee

*Estimate Time to complete- 60-90 days – can only be done after 1, 3, and 4 are complete.*

6. Identify positions to be abolished in RIF.

*Estimated time – Agency Discretion*

7. Establish, review and validate retention registers.

*Estimated time to complete: 45-60 days*

8. Proceed with RIF procedures, including notices to employees, bumping and retreating, determine final disposition.

*Estimated Time to Complete – 60 days.*

9. Calculate Severance, Benefits and Separation of employees

*Estimated time to complete – 45 days.*

***Total Timeline to Have Employees off Roles – 300 -330 Days***

## **II. Cost Associated with Running Reduction in Force**

<b>Costs*</b>	
Severance Packages - 20 Weeks Pay ( Can be up to 52 Weeks Pay)**	\$ 143,284,960.00
Leave Payout (150 Hours/Employee)	\$ 20,666,100.00
Administrative Cost (25 Employees for 6 Months)**	\$ 1,791,062.00

**Total** **\$ 165,742,122.00**

*\*All Cost are based on a GS13 Step 6 in the DC Area*

*\*\*The hourly rate includes a 30% increase to account for fringe benefits*

## **III. Additional Factors and Costs**

1. If the Agency wants to change the competitive areas, new competitive areas need to be in place for 90 days before employee notification. For the most part, competitive areas are currently defined as either an NPM or a geographic area.
2. Trickle Down Cost – Employees will have *Bump and Retreat* rights, which will allow more senior employees to potentially displace lower tenured employees at lower grade levels, but lose no pay. This means, in some case you could have a GS-15 performing GS-12 duties, but being compensated at the GS-15 level.
3. In some cases, employees will have appeal rights through MSPB, which could result in years of litigation and potential judicial settlements that will be the responsibility of the Agency.
4. Ultimately, this procedure is not surgical nor strategic. The Agency will have no control on which employees leave the Agency. In most cases the Agency will lose

lower graded personnel that are bringing fresh ideas and new perspective to the Agency.



## VSIP

When an agency has received approval from OPM to offer VSIPs, any employee (as defined in 5 U.S.C. 2105) who meets these general eligibility requirements may receive an offer. The employee must:

1. Be serving in an appointment without time limit;
2. Be currently employed by the Executive Branch of the Federal Government for a continuous period of at least 3 years;
3. Be serving in a position covered by an agency VSIP plan (i.e., in the specific geographic area, organization, series and grade);
4. Apply for and receive approval for a VSIP from the agency making the VSIP offer; and
5. Not be included in any of the ineligibility categories listed below.

### **Employees in the following categories are not eligible for a VSIP:**

1. Are reemployed annuitants;
2. Have a disability such that the individual is or would be eligible for disability retirement;
3. Have received a decision notice of involuntary separation for misconduct or poor performance;
4. Previously received any VSIP from the Federal Government;
5. During the 36-month period preceding the date of separation, performed service for which a student loan repayment benefit was paid, or is to be paid;
6. During the 24-month period preceding the date of separation, performed service for which a recruitment or relocation incentive was paid, or is to be paid;
7. During the 12-month period preceding the date of separation, performed service for which a retention incentive was paid, or is to be paid.

## VERA

To be eligible to retire under VERA, an employee must:

1. Meet the VERA minimum age and service requirements (i.e. the employee has completed at least 20 years of creditable service and is at least age 50, or has completed at least 25 years of creditable service regardless of age) – Note: The minimum age and service requirements are set by statute in 5 U.S.C. 8336(d)(2) for CSRS employees and in 5 U.S.C. 8414(b)(1) for FERS employees. OPM has no authority to waive either the minimum age or service requirements for VERA eligibility.
2. Have been continuously employed by the agency for at least 31 days before the date that the agency initially requested OPM approval of VERA;
3. Hold a position that is not a time-limited appointment;
4. Have not received a final removal decision based upon misconduct, or unacceptable performance;
5. Hold a position covered by the agency's VERA; and
6. Retire under the VERA option during the agency's VERA window.





## FY 2017 Payroll Assessment and Realignment Options

We have identified available funding from excess payroll and have options for your consideration

### Status of FY 2017 Payroll Funding:

*excess  
does  
roll over to  
next year*

- To ensure funding was available for agency wide payroll and VERA/VSIP needs, we conducted an assessment to identify surpluses and shortfalls. The assessment determined some realignments were needed.
- Payroll was realigned as needed to cover the shortfalls across the agency. *OECA, OGC*
- Excess payroll funds also were identified due to attrition and the hiring freeze.
- Total excess payroll equals \$11.9 M *By spending now we have more flexibility to move \$ around next year*

### Funding to Support VERA/VSIP:

- We provided carryover funds to cover the VERA/VSIP incentive payments.
- In most areas there was adequate funding to cover the annual leave payouts as well

### Unfunded Requests:

*where the \$  
is available  
where you can  
spend it is  
an issue*

- During the fiscal year the Office of Budget receives funding requests from offices. Recently several came in; we requested input on WCF needs as well
- Currently, identified unfunded needs total \$19 M
- Modest requests from OA, OGC, OW, OEI (no other offices submitted requests that could be obligated in FY 2017)
- Largest items are WCF, which supports agency-wide costs such as FOIA, desktop computers, and switches
  - There are costs for next year which are above the current base funding
  - Expect tight funding profile next year as well – this is a way to reduce costs for all

### Limitations and Considerations

- Reprogramming limits must be considered when funding these requests.
  - Only \$1 M or less can be moved in or out of a program area
  - Reprogramming limits have been reached in many areas.
- Obligation rates – OMB and Hill track agency's obligation rates; there is limited capacity at end of year in contracts and grants offices for added workload
  - Offices requesting funding have indicated they can obligate the funds in a timely manner.
- WCF is a useful tool for end-of-year
  - Funds can be obligated quickly and support the entire agency
  - Forward funding the WCF reduces agency cost for these services in FY 2018
  - These requirements can be funded across almost all appropriations.
- A list of funding requests is attached for consideration.



## EPA Workforce Composition

March 2017

- Total number of onboard employees: 15,241 (includes 14,996 permanent employees and 245 temporary employees)  
     ↳ student interns
- Total number of employees within their one-year probationary period: 643 (includes 65 Veterans and 33 employees with disabilities)\* only ut go for course/perf - otherwise they have appeal right
- Total number of employees that are: currently retirement eligible: 3,165
  - planning to retire in the next 3 months: 64
  - eligible to retire in the next 1-3 years: 2,115
  - eligible to retire in the next 3-5 years: 1,274
- Total number of employees on extended Administrative Leave: 2

### Summary of Appeal Rights

Excepted Service	MSPB
VRA	A Preference eligible veteran in the excepted service has full appeal rights after 1 year. A preference eligible in the excepted service who has not completed 1 year or more of current, continuous service in the same or similar position, may not appeal termination to the Board. With for the following exceptions:
Schedule A disability	
Pathways/Schedule D	
2/13	Employees terminated during their trial period have limited appeal rights and may appeal to the Board only if they believe their termination was based on (a) partisan political reasons, or (b) marital status. They may also appeal the termination based on discrimination because of race, color, religion, sex, national origin, age, or physical or mental disability, but only if the allegation of such discrimination is raised in addition to (a) or (b) mentioned above.

98 vs. 105

<p><b>Competitive Service</b></p> <p>Career Conditional (during probationary Period)</p>	<p><b>MSPB</b></p> <p>Employees terminated during their probationary period have limited appeal rights to the MSPB (the Board). They may appeal to the Board if they believe their termination was based on (a) partisan political reasons, or (b) marital status. They may also appeal the termination based on discrimination because of race, color, religion, sex, national origin, age, or physical or mental disability, but only if the allegation of such discrimination is raised in addition to (a) or (b) mentioned above.</p>
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Employees may have other appeal rights including EEO, USERRA, Whistleblower Protection, etc.



**MEMORANDUM**

**TO: Ryan Jackson**

**FROM: Holly Greaves  
Byron Brown**

**RE: FY 2018 President's Budget**

The President's Budget Blueprint requests \$5.7 billion for EPA, a 31 percent reduction of the annualized FY 2017 continuing resolution. The Budget Blueprint would provide \$2.3 billion for the State Revolving Funds and \$20 million for WIFIA. It would also reduce funding for EPA's climate program by \$100 million, the Superfund program by \$330 million, research and development by \$233 million, state categorical grants by \$482 million, as well as eliminate funding for geographic programs and 50 other programs (including EnergyStar and the Endocrine Disruptor Screening Program) totaling \$774 million.

We met with the EPA National Program Managers this week to discuss the impacts of the President's Budget Blueprint on their programs and operations in order for EPA to meet its core functions and the Administrator's Priorities.

Section I of the memorandum summarizes potential impacts of the Administrator's priorities: TSCA, NAAQS attainment, Water Infrastructure, Permitting, Superfund, and Brownfields.

Section II discusses outstanding funding questions raised by OMB and EPA programs and provides options for realigning funds within the guidelines provided by OMB.

Section III outlines potential impacts on statutory and other obligations.

Section IV details potential impacts on program areas that are of concern to Appropriations Committee members.



## Section I – Administrator Priorities

### 1. TSCA

- The budget provides a \$13M increase to the Chemical Risk Review and Reduction program and funds new attorneys in OGC to fully implement the new TSCA law.
- However, the reduction to ORD's chemical research program will slow the development of alternative high-throughput chemical screening methods (computational toxicology) and slow research that supports chemical risk assessments mandated under the new TSCA law.
- The timing for the new TSCA Service Fee will be a challenge especially in the first half of the year. At overall program level proposed, OCSP will continue on pace with progress on new legislation.

### Nonpay and FTE Fiscal Year Trend

(Dollars in Thousands)

Program Project	FY 2016 Enacted		Annualized CR (3/30/2017)		FY 2018 Estimate (3/12/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB-FY 2016 Enacted	
	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	% Change (\$)	% Change (FTE)
Toxic Substances: Chemical Risk Review and Reduction	\$19,790	238.7	\$20,039	256.7	\$33,624	238.7	\$33,624	238.7	69.9%	0.0%
<b>TOTAL</b>	<b>\$19,790</b>	<b>238.7</b>	<b>\$20,039</b>	<b>256.7</b>	<b>\$33,624</b>	<b>238.7</b>	<b>\$33,624</b>	<b>238.7</b>	<b>9.9%</b>	<b>0.0%</b>

Note: Program Projects include all appropriations

### 2. Water Infrastructure

- Staff that administer and provide oversight of SRFs will be reduced.
- Data collection supporting the Drinking Water Needs Survey for the 2019 Survey will be indefinitely delayed. This survey is the basis for determining the state allocation formula for the SRF funds, which can change significantly over the 4-year timeframe between surveys, as required by CWA.
- Staff that work directly with state and local partners to help them meet all the requirements to be ready to receive SRF funds will be reduced. This could result in communities needing more time to apply for SRF funding.

**Nonpay and FTE Fiscal Year Trend**

(Dollars in Thousands)

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/12/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB-FY 2016 Enacted	
	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	% Change (\$)	% Change (FTE)
Drinking Water Programs	\$24,665	522.7	\$21,275	522.7	\$15,073	443.3	\$15,073	443.3	-38.9%	-15.2%
Infrastructure Assistance: Clean Water SRF	\$1,393,887	-	\$1,391,237	-	\$1,393,887	-	\$1,393,887	-	0.0%	-
Infrastructure Assistance: Drinking Water SRF	\$863,233	-	\$961,592	-	\$863,233	-	\$863,233	-	0.0%	-
Surface Water Protection	\$50,092	1,023.9	\$47,611	1,023.9	\$31,112	937.1	\$31,112	937.1	-37.9%	-8.5%
Water Infrastructure Finance and Innovation	\$0	-	\$18,140	12.0	\$18,200	12.0	\$18,200	12.0	-	-
<b>TOTAL</b>	<b>\$2,331,877</b>	<b>1,546.6</b>	<b>\$2,439,855</b>	<b>1,558.6</b>	<b>\$2,321,505</b>	<b>1,392.4</b>	<b>\$2,321,505</b>	<b>1,392.4</b>	<b>-0.4%</b>	<b>-10.0%</b>

Note: Program Projects include all appropriations

**3. NAAQS Attainment**

- There are many eliminations across the program that impact attainment and State Implementation Plan work, which doesn't leave a lot of flexibility to meet statutory requirements.
- Regions now take about 300 final actions on SIP submittals each year. This pace will slow and a backlog of about 100 per year will accumulate -- reducing the pace of attainment.
- The program will provide less monitoring and modeling on meeting specific NAAQS (the SO<sub>2</sub> NAAQ has the most modeling). Ozone and PMs are mainly from monitors – regions help with technical aspects and data issues. States pay for and maintain the monitors – that work is supported through the STAG grant and there will be impacts there due to reduction.
- With the staff reductions, EPA Regions will provide less technical assistance to states and industry who look to the EPA on ways to attain NAAQS and write SIPs. Even large states with robust environmental agencies and large industry partners request assistance. Reductions to ORD will negatively impact EPA's ability to conduct the science underlying NAAQS revisions.
- Given staff reductions, EPA would be able to act on few or none of the more than 500 exceptional events states flag for EPA annually. One or two exceptional events, such as large wildfires, can throw an area out of attainment without an approved exceptional event, which requires EPA analysis.
- Modeling in support of OAR rulemakings and attainment will be substantially reduced and slowed. EPA must conduct regulatory/economic impact analyses for all proposed and final rules, including all court-ordered rules. Under the new E.O. 13771, there could be up to 60-90 economic analyses if required for deregulatory actions.
- The CAA includes dozens of categories of stationary sources for EPA to set standards for– these rules are not done – many court orders in place and further litigation risk – but at budget levels could continue to work on them and prioritize.



### Nonpay and FTE Fiscal Year Trend

(Dollars in Thousands)

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/12/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB-FY 2016 Enacted	
	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	% Change (\$)	% Change (FTE)
Categorical Grant: State and Local Air Quality Management	\$228,219	-	\$227,785	-	\$159,450	-	\$159,450	-	-30.1%	-
Categorical Grant: Tribal Air Quality Management	\$12,829	-	\$12,805	-	\$8,963	-	\$8,963	-	-30.1%	-
Federal Support for Air Quality Management	\$13,111	842.0	\$10,501	842.0	\$9,598	601.8	\$9,598	601.8	-26.8%	-28.5%
<b>TOTAL</b>	<b>\$254,159</b>	<b>842.0</b>	<b>\$251,091</b>	<b>842.0</b>	<b>\$178,011</b>	<b>601.8</b>	<b>\$178,011</b>	<b>601.8</b>	<b>-30.0%</b>	<b>-28.5%</b>

Note: Program Projects include all appropriations

#### 4. Permitting

- Permitting will be impacted in the air, water, and waste programs. EPA is the lead permitting authority in up to 8 states in these programs. The reduction in STAG funding could increase the number of states who return programs to EPA.
- Expert assistance to industry and states on permit development will be provided at reduced level with impacts on timeliness. States and EPA both will be challenged to meet permitting needs; states will be inclined to give portions of the program back to EPA. Budget will require some priorities between permitting versus water quality.
- Significant portions of EPA technical assistance for states and tribes on Effluent Guidelines, TMDLs (20 currently active), NPDES, water quality standards, and water quality criteria would stop, potentially increasing litigation risks because core CWA activities would not occur. Limited 404 wetland permitting work would continue.
- Some states may decide to return their RCRA authorized programs back to the EPA. The EPA directly implements the RCRA program in 2 states and is the federal authority over the TSCA PCB cleanup and disposal program.
- In the Marine Pollution program – EPA has the responsibility for permitting ocean dumping and for oversight; there is a gap in coverage with the elimination of the program
- In the Compliance Monitoring program, the EPA will reduce the operations and maintenance of data systems that support the EPA and states' enforcement and compliance monitoring programs. This will mean that the public, EPA, and states will receive less timely response to their inquiries and be unable to access environmental information.

## Nonpay and FTE Fiscal Year Trend

(Dollars in Thousands)

Program Project			FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/12/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	% Change (\$)	% Change (FTE)
Compliance Monitoring	\$25,237	538.6	\$24,884	538.6	\$21,972	445.3	\$21,663	444.8	-14.2%	-17.4%
Federal Support for Air Quality Management	\$13,111	842.0	\$10,501	842.0	\$9,598	601.8	\$9,598	601.8	-26.8%	-28.5%
RCRA: Waste Management	\$14,138	332.7	\$13,105	332.7	\$10,039	204.9	\$10,039	204.9	-29.0%	-38.4%
Surface Water Protection	\$50,092	1,023.9	\$47,611	1,023.9	\$31,112	937.1	\$31,112	937.1	-37.9%	-8.5%
<b>TOTAL</b>	<b>\$102,578</b>	<b>2,737.2</b>	<b>\$96,101</b>	<b>2,737.2</b>	<b>\$72,721</b>	<b>2,189.1</b>	<b>\$72,412</b>	<b>2,188.6</b>	<b>-29.4%</b>	<b>-20.0%</b>

Note: Program Projects include all appropriations

5. Superfund Cleanup

- The non-pay resources will be reduced by almost 39% with a FTE reduction of 14%.
- For Superfund, many states request EPA assistance from PRP searches to Superfund Emergency Response and Removal.
- The Superfund programs will pursue the highest priority sites and issues that impact human health.
- Superfund Remedial will have no new construction starts which may create a backlog of new starts. Past years the new construction start backlog was upwards to 25-30 new starts.
- Superfund Remedial will focus on ongoing sites to avoid delays, but at the current funding levels, the program will slow down ongoing construction projects as well as projects in the investigation and design phases. It will be a challenge to keep pace.
  - Superfund Enforcement will be severely hampered and unable to maximize participation of potentially responsible parties (PRPs) performing and paying for Superfund cleanups, both federal and non-federal entities.

How can we address the "no new starts"



**Nonpay and FTE Fiscal Year Trend**

(Dollars in Thousands)

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB-FY 2016 Enacted	
	Nonpay	FTE	Nonpay	FTE	Nonpay	FTE	% Change (\$)	% Change (FTE)
Superfund: Emergency Response and Removal	\$143,869	243.7	\$143,204	243.7	\$111,629	224.6	-22.4%	-7.8%
Superfund: Enforcement	\$32,369	771.3	\$33,656	771.3	\$3,281	578.1	-89.9%	-25.0%
Superfund: EPA Emergency Preparedness	\$1,625	37.4	\$1,579	37.4	\$1,091	35.7	-32.9%	-4.5%
Superfund: Federal Facilities	\$5,042	111.7	\$4,465	111.7	\$4,529	106.3	-10.2%	-4.8%
Superfund: Remedial	\$371,887	868.8	\$367,630	868.8	\$219,128	805.1	-41.1%	-7.3%
<b>TOTAL</b>	<b>\$554,792</b>	<b>2,032.9</b>	<b>\$550,534</b>	<b>2,032.9</b>	<b>\$339,658</b>	<b>1,749.8</b>	<b>-38.8%</b>	<b>-13.9%</b>

Note: Program Projects include all appropriations

**6. Brownfields**

- The Brownfields programs nonpay will be reduced by 19.1% from FY 2016 Enacted Level and FTE by over 38%.
- Support for core response capabilities and the ability for states and tribes to assess or cleanup brownfields sites will be reduced, limiting potential reuse opportunities.
- The majority of brownfields cleanup work oversight is performed by state and tribal programs at over 26,000 properties.
- The agency's ability to oversee existing grants and any new grants will be significantly impacted.

**Nonpay and FTE Fiscal Year Trend**

(Dollars in Thousands)

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)			FY 2018 Estimate (3/12/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB-FY 2016 Enacted	
	Nonpay	FTE	Nonpay	Total	FTE	Nonpay	FTE	Nonpay	FTE	% Change (\$)	% Change (FTE)
Brownfields	\$4,422	149.8	\$3,454	\$25,544	149.8	\$1,551	92.6	\$1,551	92.6	-64.9%	-38.2%
Brownfields Projects	\$80,000	-	\$79,848	\$79,848	-	\$75,000	-	\$72,000	-	-10.0%	-
Categorical Grant: Brownfields	\$47,745	-	\$47,654	\$47,654	-	\$33,358	-	\$33,358	-	-30.1%	-
<b>TOTAL</b>	<b>\$132,167</b>	<b>149.8</b>	<b>\$130,956</b>	<b>\$153,046</b>	<b>149.8</b>	<b>\$109,909</b>	<b>92.6</b>	<b>\$106,909</b>	<b>92.6</b>	<b>-19.1%</b>	<b>-38.2%</b>

Note: Program Projects include all appropriations



## Section II – Outstanding Funding Issues

OMB has requested funding be restored for several programs. In addition, OCFO has identified a small number of outstanding issues to assist EPA operations.

IRIS: 40 FTE and \$2.5 M requested - *OCFO recommends 40 FTE and \$2 M*

- Resources needed to restore eliminated program
- OMB has indicated we need to have some capacity to maintain this work – and would be fine to re-think the process
- ORD has indicated the greatest need is the expertise side but some contract funds needed as well

GHG Registry: 20 FTE and \$5 M requested - *OCFO recommends 20 FTE and \$3 M*

- Resources needed to restore critical capability
- OMB indicates we need to have some basic data flow in place in case needed in the future
- In addition, there is a longstanding treaty obligation to submit data on national emissions every April to the UNFCCC. This data and the staff in this program are used to help create that report. The data also may be needed for regulatory review under the executive order
- This request funds the effort at about half the current level

Climate regulations review under E.O.: 30 FTE and \$5 M requested - *OCFO recommends 30 FTE and \$2 M*

- Resources needed to restore critical capability to assist with implementing Energy Independence and Regulatory Reform Executive Orders. The staff in the Climate program are the ones who have expertise to do this work
- Combined with the reductions in the Stationary Source and Vehicle/Fuels areas, at the budget's resource levels there will be a problem retaining the right expertise to do the quality and complexity of work needed for this effort as well as the reconsideration of the vehicles standards
- Climate Change program project would be removed from eliminated program list

International obligation: CEC: \$1 to 2 M requested – *OCFO recommends \$1 M*

- Resources needed to restore eliminated program.
- This contribution was eliminated as part of the Trade and Governance program. The obligation is part of a side agreement to NAFTA. It is the only international treaty for which EPA has the lead. It includes a requirement that each member provide the same level of funding to this effort, at \$2 M each for the last few years
- The EPA's Administrator is scheduled to assume the chair this June. As it stands in the budget, this would occur two weeks after announcing we would eliminate our contribution, in practice fully de-funding this work across all three countries

Administrator's detail: 5 FTE and \$1.8 M requested – *OCFO recommends 5 FTE and \$1 M*

- FTE and funding for increased coverage

- OECA has flagged that, in order to provide 24-hour coverage for the detail, they need 5 additional FTE for a total of 23 (budget had provided 10 additional above the base of 8) plus travel, equipment and workforce support costs

**Possible Sources of FTE/Funding as of 4/6/17:**

**FTE and Salary:**

Realign 90 from OECA to other priorities

- 90 FTE can be transferred from OECA. 5 FTE will be realigned to the Protective Services Detail
- OECA resources in FY 2016 include 2880 FTE, current FY 2018 level is 2254, a 21% reduction. Agency-wide the reduction overall is 25%. Reducing OECA a further 95 FTE puts them at a 25% reduction
- The percentage increases to 27% if an additional 50 FTE are converted to \$7.5 M in non-pay (total additional reduction of 145, overall reduction of 775 from FY 2016 FTE ceiling)
- OECA has indicated that at current levels, they do not have adequate travel and contractor resources to sustain effective enforcement efforts
- Note: this would not solve the travel and non-pay gap for OECA alone since salary dollars would be needed in the other programs to support the FTE where they are realigned

**Non-pay funding:**

Brownfields: Possible source of up to \$7 M <sup>43</sup> <sup>169</sup>

- This program is a priority and current budget level is \$72 M vs. \$80 M in FY 2016. However, the other grants programs have taken at least a 30% reduction, including the state grant used to manage these projects
- The EPA budget to manage this program has also been reduced. \$7 M would place this program at just under a 20% reduction, still higher than the other related efforts but not quite as disproportionate

Transit subsidy: \$2 M

- In reviewing calculations, this estimate had not been revised to reflect new staffing assumptions ✓

Other possibilities: \$3.5 M

- RCRA Waste management: increase their reduction by \$0.5 M ✓ <sup>1, 2</sup>
- LUST Cooperative agreements: increase their reduction by \$1.5 M (will then be commensurate with other state grant reductions at 30%) ✓
- Clean Air Trading program: increase reduction by \$0.5 M – reduction at 20% ✓
- Superfund federal facilities: increase reduction by \$0.5 M – reduction at 20%
- SES awards: reduce by \$0.5 M or 14% - reflect fewer SES?



### **Section III -- Impacts to Statutory and Other Obligations**

The budget would also impact EPA's ability to perform several statutory mandates and other obligations:

- Drinking Water Needs Survey data collection in FY 2018 would not be performed at these funding levels. This data informs the allocation of SRF funds to states.
- Reductions in resources and staffing will impact: oversight of grants/contracts/payments, financial management reporting, and support for complex accounting in the Superfund program. This could lead to potentially negative perception of the agency by oversight organizations (OIG/GAO/Congress) and possible funds utilization impacts.
- Reductions in ORD may drive the closure of labs, including Ada, OK.
- While many large IT systems will be kept operating, there will not be sufficient resources to update, upgrade, or modernize. This will reduce effectiveness over time.
- A number of programs that impact employee morale and effectiveness – leave bank, WorkPlace Solutions, phased retirements, interns and Presidential Management Fellows, training, flu shots, childcare subsidies – would be discontinued at these funding levels.
- OCSPP confirmed that adequate funding is provided for TSCA implementation, but this is based on the assumption that the fee rule gets done.
- Funding and onboarding of political appointees would be hindered within the Office of the Administrator, due to reductions in that area.
- Office of Policy received an increase of 63 FTEs and \$2 million to fund Administrator Priorities (Sector Strategies/Dashboard/Regulatory reform). The increases were offset by: a \$5M reduction to DERA, a \$3M reduction to the Brownfield program, and a \$3M reduction to Superfund: Removal program.
- ORD intends to maintain funding for Green Infrastructure due to interest from state and local governments
- ORD will discontinue the Report on the Environment, which was recently used as a performance metrics document by the Office of Policy.

## **Section IV -- Program Activities of Interest to Appropriations Committee Members**

### Superfund Programs

(Representatives Frelinghuysen, Calvert)

The Superfund cleanup programs and Superfund Enforcement programs will be reduced by 32% from FY 2016 Enacted Level and sustain a 17% reduction in FTE.

- Superfund: Remedial will be unable to fund all ongoing cleanup actions, unable to start new construction projects, and could slow down some ongoing construction projects. This will increase the costs for site cleanups in the long term and create a backlog of 25-30 new construction starts.
- Emergency response expectations will not be met under several Homeland Security Presidential Directives.
- Superfund Emergency Response and Removal will maintain the capability to respond to emergency incidents but the agency will conduct a limited number of time-critical removal actions and only where funding allows.
- Superfund enforcement will be severely hampered. The program will be unable to maximize the participation of potentially responsible parties performing and paying for cleanups. The program will be unable to provide funding to the Department of Justice (typically \$20M); thereby, increasing costs to the American public, delaying site cleanup, and eventual site reuse and development.

### Brownfields Programs

(Representatives Frelinghuysen, Joyce)

The Brownfields programs will be reduced by approximately 21% from FY 2016 Enacted Level and sustain an over 38% reduction in FTE.

- The EPA will allocate reduced funding support to approximately 160 state and tribal response programs. Support for core response capabilities and the ability for states and tribes to assess or cleanup brownfields sites will be reduced, limiting potential reuse opportunities.
- The majority of brownfields cleanup work oversight is performed by state and tribal programs at over 26,000 properties. Decreased support will either delay or eliminate a state or tribe's ability to help ensure safe and protective cleanups. Reductions in grant funding will impact state and tribal personnel and result in decreased oversight of brownfields cleanups.
- The agency's ability to oversee existing grants and any new grants will be impacted.

### Long Island Sound

(Representative Lowey)

- The budget eliminates funding for this program. Progress on restoring habitat and improving water quality will stop



DERA

(Representative Calvert)

The budget will fund DERA at \$10M, a reduction from the \$50M FY16 enacted level.

- Fewer school districts and port operators will have opportunities to apply for funds to retrofit or replace their older diesel engines.

Targeted Airshed Grants

(Representative Calvert)

- This program is eliminated in the budget. This program only benefits the top 5 non-attainment counties for ozone and PM<sub>2.5</sub> in America and funding can be used to more broadly benefit states and localities.

E-manifest

(Representative Calvert)

- E-Manifest will become fully fee supported in FY 2018.
- The system that will provide significant savings to the regulated community with self-sustained funding upon full implementation.

Radon Grants

(Representative Calvert)

- This program is eliminated in the budget. This program has succeeded in establishing radon programs in all states. States can now carry the core program on without sustained federal funding.

Energy STAR

(Representative Calvert)

- This program is eliminated in the budget.
- Energy Star provides over \$15 billion in annual savings to U.S. consumers each year through lower energy bills and is the most recognizable brand in the federal government. The agency is exploring how to transfer this to another agency or non-governmental partner.

Great Lakes Restoration

(Representatives Joyce, McCollum)

- The budget eliminates funding for this program.
- This program provided funding in 6 states and funds dozens of major ongoing restoration projects. Without the GLRI program, progress on removing areas of concern will slow.

Categorical Grant: Tribal General Assistance Program

(Representatives McCollum, Cole)

- The budget reduces funding for the Tribal General Assistance Program by \$20M. Only a few dozen of the more than 500 tribes have the capacity to implement environmental programs, thus relying on the EPA. This reduction will slow the pace of building tribal capacity.



Oil Spill: Prevention, Preparedness and Response

(Representative McCollum)

The Oil Spill: Prevention, Preparedness and Response program will be reduced by 15.8% from FY 2016 Enacted Level and sustain a 25% reduction in FTE.

- The Oil Spill prevention program is not delegated to the states. Though many states have their own above ground oil spill prevention programs, the states look to EPA's program for guidance on implementation and best practices.
- The agency will perform even fewer inspections at the more than 640,000 non-transportation related oil storage facilities.

State Revolving Funds

(Representative McCollum)

- The SRFs are fully funded at the FY 2016 level. The budget protects federal investment in state water infrastructure projects.

Enforcement

(Representative Stewart)

The EPA's enforcement program will be reduced by over 21% from the FY 2016 Enacted Level and sustain a 19.2% reduction in FTE.

- Support to states will be significantly reduced, states will be expected to do more inspections.
- There will be an increased risk that violations of the law will go unidentified and unaddressed. Inspection and enforcement efforts will need to be carefully prioritized.

Ada, OK, Corvallis, OR, and RTP, NC, and Agency Science

(Representative Cole)

Research and Development program funding has been reduced by over 40% relative to FY 2016 Enacted levels.

- The reduction to ORD will result in reprioritization and refocusing of our work and may result in changes to our facility footprint.

Geographic Program: Puget Sound

(Representative Kilmer)

- The budget eliminates funding for this location-specific Geographic program. This program also supports Tribal-treaty rights related to salmon and shellfish habitat that will not be funded.

Targeted Airshed Grants

(Senator Murkowski)

- This program is eliminated in the budget. This program only benefits the top 5 non-attainment counties for ozone and PM<sub>2.5</sub> in America and funding can be used to more broadly benefit states and localities.

Infrastructure Assistance: Alaska Native Villages

(Senator Murkowski)

- The budget eliminates funding for this program. The ANV program funds infrastructure projects to build pipe and treatment capacity for remote Alaska villages that do not have running water

or sewage. The EPA has brought running water to thousands of residents and progress would stop.

Toxic Substances: Chemical Risk Review and Reduction

(Senator Udall)

- The budget provides a \$13M increase to the main program implementing TSCA. The budget makes the critical investments needed to continue to stand-up and implement TSCA.

Mexico Border

(Senator Udall)

- The budget eliminates funding for this program. Clean-up of some of the poorest communities of America across environmental media will slow.

Geographic Program: Gulf of Mexico

(Senator Cochran)

- The budget eliminates funding for this program. Federal efforts to facilitate collaboration to protect and restore the Gulf and its economic potential will slow.

Geographic Program: Lake Champlain

(Senator Leahy)

- The budget eliminates funding for this program. Federal efforts to develop interstate and interagency partnerships to reduce Lake Champlain pollution will slow.

National Estuary Program / Coastal Waterways

(Senator Leahy)

- The budget reduces NEP funding by half. This will either reduce the number of states receiving funding, or cut the average funding level from \$600K per grant to \$300K per grant. The result will be a slower pace of restoring estuaries.



## APPENDIX TABLES

**Notes:**

Tables includes all appropriations. Dollars in thousands.

## Representative Frelinghuysen

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Brownfields	\$25,593	149.8	\$25,544	149.8	\$16,329	92.6	-36.2%	-38.2%
Brownfields Projects	\$80,000	-	\$79,848	-	\$72,000	-	-10.0%	-
Categorical Grant: Brownfields	\$47,745	-	\$47,654	-	\$33,358	-	-30.1%	-
<b>BROWNFIELDS</b>	<b>\$153,338</b>	<b>149.8</b>	<b>\$153,046</b>	<b>149.8</b>	<b>\$121,687</b>	<b>92.6</b>	<b>-20.6%</b>	<b>-38.2%</b>
Superfund: Emergency Response and Removal	\$181,306	243.7	\$180,961	243.7	\$147,033	224.6	-18.9%	-7.8%
Superfund: Enforcement	\$150,628	771.3	\$150,342	771.3	\$95,625	578.1	-36.5%	-25.0%
Superfund: EPA Emergency Preparedness	\$7,636	37.4	\$7,621	37.4	\$7,215	35.7	-5.5%	-4.5%
Superfund: Federal Facilities	\$21,125	111.7	\$21,085	111.7	\$20,555	106.3	-2.7%	-4.8%
Superfund: Federal Facilities Enforcement	\$6,989	40.9	\$6,976	40.9	\$0	-	-100.0%	-100.0%
Superfund: Remedial	\$501,000	868.8	\$500,048	868.8	\$343,966	805.1	-31.3%	-7.3%
<b>SUPERFUND</b>	<b>\$687,378</b>	<b>1,830.1</b>	<b>\$686,072</b>	<b>1,830.1</b>	<b>\$467,361</b>	<b>1,525.2</b>	<b>-32.0%</b>	<b>-16.7%</b>

## Representative Lowey

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Geographic Program: Long Island Sound	\$3,940	-	\$3,932	-	\$0	-	-100.0%	-

## Representative Joyce

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Brownfields	\$25,593	149.8	\$25,544	149.8	\$16,329	92.6	-36.2%	-38.2%
Brownfields Projects	\$80,000	-	\$79,848	-	\$72,000	-	-10.0%	-
Categorical Grant: Brownfields	\$47,745	-	\$47,654	-	\$33,358	-	-30.1%	-
<b>BROWNFIELDS</b>	<b>\$153,338</b>	<b>149.8</b>	<b>\$153,046</b>	<b>149.8</b>	<b>\$121,687</b>	<b>92.6</b>	<b>-20.6%</b>	<b>-38.2%</b>
Great Lakes Restoration	\$300,000	71.7	\$299,430	71.7	\$0	-	-100.0%	-100.0%

## Representative Calvert

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Categorical Grant: Radon	\$8,051	-	\$8,036	-	\$0	-	-100.0%	-
Diesel Emissions Reduction Grant Program	\$50,000	-	\$49,905	-	\$10,000	-	-80.0%	-
Targeted Airshed Grants	\$20,000	-	\$19,962	-	\$0	-	-100.0%	-
Superfund: Enforcement	\$150,628	771.3	\$150,342	771.3	\$95,625	578.1	-36.5%	-25.0%
Superfund: Federal Facilities Enforcement	\$6,989	40.9	\$6,976	40.9	\$0	-	-100.0%	-100.0%
Superfund: Emergency Response and Removal	\$181,306	243.7	\$180,961	243.7	\$147,033	224.6	-18.9%	-7.8%
Superfund: Remedial	\$501,000	868.8	\$500,048	868.8	\$343,966	805.1	-31.3%	-7.3%
Superfund: Federal Facilities	\$21,125	111.7	\$21,085	111.7	\$20,555	106.3	-2.7%	-4.8%
Superfund: EPA Emergency Preparedness	\$7,636	37.4	\$7,621	37.4	\$7,215	35.7	-5.5%	-4.5%
<b>SUPERFUND</b>	<b>\$868,684</b>	<b>2,073.8</b>	<b>\$867,033</b>	<b>2,073.8</b>	<b>\$614,394</b>	<b>1,749.8</b>	<b>-29.3%</b>	<b>-15.6%</b>
<b>e-Manifest</b>	<b>\$3,674</b>	<b>7.9</b>	<b>\$3,667</b>	<b>7.9</b>	<b>\$0</b>	<b>7.9</b>	<b>-100.0%</b>	<b>0.0%</b>
<b>Climate Protection Program</b>	<b>\$103,454</b>	<b>224.1</b>	<b>\$103,258</b>	<b>224.1</b>	<b>\$0</b>	<b>-</b>	<b>-100.0%</b>	<b>-100.0%</b>

**Notes:**

Energy STAR is within the Climate Protection Program.

E-Manifest will be fee funded in 2018.

The above table includes all appropriations.

Dollars in thousands.

## Representative McCollum

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Great Lakes Restoration	\$300,000	71.7	\$299,430	71.7	\$0	-	-100.0%	-100.0%
Categorical Grant: Tribal General Assistance Program	\$65,476	-	\$65,352	-	\$45,746	-	-30.1%	-
Oil Spill: Prevention, Preparedness and Response	\$14,409	83.1	\$14,382	83.1	\$12,138	62.3	-15.8%	-25.0%
Infrastructure Assistance: Clean Water SRF	\$1,393,887	-	\$1,391,237	-	\$1,393,887	-	0.0%	-
Infrastructure Assistance: Drinking Water SRF	\$863,233	-	\$961,592	-	\$863,233	-	0.0%	-
<b>STATE REVOLVING FUNDS</b>	<b>\$2,257,120</b>	<b>-</b>	<b>\$2,352,829</b>	<b>-</b>	<b>\$2,257,120</b>	<b>-</b>	<b>0.0%</b>	<b>-</b>



**Representative Stewart**

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Superfund: Enforcement	\$150,628	771.3	\$150,342	771.3	\$95,625	578.1	-36.5%	-25.0%
Criminal Enforcement	\$53,437	268.9	\$53,335	268.9	\$46,205	219.3	-13.5%	-18.4%
Civil Enforcement	\$174,410	1,080.4	\$174,078	1,080.4	\$147,850	910.5	-15.2%	-15.7%
Superfund: Federal Facilities Enforcement	\$6,989	40.9	\$6,976	40.9	\$0	-	-100.0%	-100.0%
<b>ENFORCEMENT</b>	<b>\$613,311</b>	<b>3,510.8</b>	<b>\$612,144</b>	<b>3,510.8</b>	<b>\$483,735</b>	<b>2,837.7</b>	<b>-21.1%</b>	<b>-19.2%</b>

**Representative Cole**

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Categorical Grant: Tribal General Assistance Program	\$65,476	-	\$65,352	-	\$45,746	-	-30.1%	-

**House Representative Kilmer**

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Geographic Program: Puget Sound	\$28,000	6.0	\$27,947	6.0	\$0	-	-100.0%	-100.0%

**Senator Murkowski**

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Targeted Airshed Grants	\$20,000	-	\$19,962	-	\$0	-	-100.0%	-
Infrastructure Assistance: Alaska Native Villages	\$20,000	-	\$19,962	-	\$0	-	-100.0%	-

## Senator Udall

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Toxic Substances: Chemical Risk Review and Reduction	\$58,554	238.7	\$61,243	256.7	\$64,340	238.7	9.9%	0.0%
US Mexico Border	\$3,063	14.7	\$3,057	14.7	\$0	-	-100.0%	-100.0%
Infrastructure Assistance: Mexico Border	\$10,000	-	\$9,981	-	\$0	-	-100.0%	-
MEXICO BORDER	\$13,063	14.7	\$13,038	14.7	\$0	-	-100.0%	-100.0%

## Senator Cochran

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
Geographic Program: Gulf of Mexico	\$4,482	14.3	\$4,473	14.3	\$0	-	-100.0%	-100.0%

## Senator Leahy

Program Project	FY 2016 Enacted		FY 2017 Annualized CR (3/30/2017)		FY 2018 Estimate (3/31/2017)		Delta FY 2018PB- FY 2016 Enacted	
	Total	FTE	Total	FTE	Total	FTE	% Change (\$)	% Change (FTE)
National Estuary Program / Coastal Waterways	\$26,723	43.6	\$26,672	43.6	\$0	-	-100.0%	-100.0%
Geographic Program: Lake Champlain	\$4,399	-	\$4,391	-	\$0	-	-100.0%	-







Workforce reshaping assumptions: FY 2018 President's Budget

Estimated on-board by end of September from attrition: 14,675

- Approximately 3,200 are eligible to retire now (about 21%)
  - VSIP eligibility is broad (minimum 3 years permanent federal employment)
- Planned 3,770 FTE reduction from FY 2016 ceiling to FY 2018 President's Budget

The workforce reshaping plan includes two major steps in FY 2017:

1. Reassignment process – to re-adjust on-board staff from areas that are over ceiling to those where there are gaps
2. VERA/VSIP: assumption is about 1,000 departures in September. Funding for the resulting costs would come from areas where reductions are planned in FY 2018, particularly grant programs, as well as any remaining FY 2016 carryover

- In FY 2018, an estimated 2,070 further reductions would be needed
  - 900 FTE are in eliminated programs -- careful development of reductions' 'competitive area' could streamline the process
  - Additional VERA/VSIP in December - estimated 200 departures
  - 700 positions from attrition in FY 2018 (spread across year)
  - Budget moves 290 FTE over to fee-funding

FY 2018 costs profile:

Eliminated programs: 900 positions/21% are retirement eligible –

193 retire	no severance
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Remaining 707 positions:	\$ 27 M – pay for 1 quarter
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Severance	\$ 17.7 M
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VERA/VSIP

200 positions:	\$ 7.7 M – pay for 1 quarter
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	\$ 5 M – buy outs
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Additional reductions/if needed (specialized positions/geographic limitations): 275

55 retire	no severance
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220 positions/35 fee funded	\$ 7 M – pay for 1 quarter
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Severance	\$4.6 M
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Remaining positions: managed attrition	adjust awards allowance (\$30 m) to fund as needed
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### Further Details on the EPA's Appeal of FY 2018 OMB's Passback FTE Reduction

The 1200 FTE reduction will be allocated by National Program Manager as shown in chart below.

NPM	FY 2016 ENA	FY 2018 Passback	Appeal Level	Delta Appeal Level vs FY 2016 ENA	Percent change
OA	594.3	420.5	583.2	(11.1)	-2%
OAR	1,750.1	1,368.3	1,513.5	(236.6)	-14%
OCSP	1,118.4	1,065.1	1,057.2	(61.2)	-5%
OECA	2,880.2	2,319.1	2,481.6	(398.6)	-14%
OITA	158.8	111.2	139.1	(19.7)	-12%
OLEM	2,333.2	1,958.1	2,206.7	(126.5)	-5%
ORD	1,703.9	1,144.3	1,487.0	(216.9)	-13%
OW	1,921.8	1,679.4	1,854.2	(67.6)	-4%
OARM/OCFO/ OEI/OGC/OIG	2,915.6	2,330.8	2,853.8	(61.8)	-2%
<b>Grand Total</b>	<b>15,376.3</b>	<b>12,396.8</b>	<b>14,176.3</b>	<b>(1,200.0)</b>	<b>-8%</b>

Across the budget, resources and FTE supporting climate change have been significantly reduced or entirely eliminated. This includes voluntary climate-related programs as well as international climate related work. Recognizing a shift in priorities, FTE reductions correspond to resource reductions and program eliminations. Technical assistance and support to states and tribes will be the priority for FY 2018.

Where OAR staff can be refocused to core work, such as supporting states in actions to achieve attainment with air quality standards, they have been retained. Staff will shift focus from climate work to core air work such as NAAQS and addressing the SIPs backlog.

Staff in OW will make supporting states and tribes in core water programs their priority. This will include providing technical assistance and tools as well as targeted assistance in areas such as TMDLs, permitting, and modeling.

Enforcement staff levels have been reduced - recognizing a shift toward state enforcement actions rather than federal.

OLEM staff levels have been reduced to reflect elimination of the RCRA Waste Minimization and the Base Realignment programs. Staffing levels also include reductions in the Oil, RCRA Waste Management and State and Local Preparedness programs.





### Approach to targeting 1200 FTE reductions

- a. Eliminated programs will be completely zeroed – no FTE or funding (approximately 275 FTE)
- b. Significant reduction in work - non pay resources reductions would translate to FTE reductions as appropriate (up to 300 FTE)

-example: Research – adjust base in line with appeal level, while also considering priority in-house research , grants workload (approximately 200 FTE – some of these are in Climate, see below, additional 50 FTE in eliminations above). Base of 1,700 FTE.

- c. Find efficiencies/change process or approach/realign expertise to priority efforts:

-States have lead role in enforcement , FTE reductions (up to 400 FTE). Base of 2.880 FTE.

-Charge additional resources to fees in Pesticides (need to propose language to reduce existing FY restriction)- up to 50 FTE. Base of 700 FTE, currently 145 FTE fee-funded included.

-Reduce Climate focus (OAR, ORD, and some OGC impact here, some work overlaps with core, additional analysis needed) – (up to 50 FTE). Base estimated at 200-250 FTE after eliminations.

- d. Minimal reductions in core work to ensure we keep pace (up to 50 FTE)

-Work with states/industry on SIPs, permits, EIS reviews, TMDLs. Focus on ways to advance attainment. Regulatory reviews to meet executive order.

- e. Support offices (approximately 50) continue to work toward long term efficiencies through modernization and mandated improvements or changes (i.e. Cybersecurity, IG, human resource management, systems modernization, footprint consolidations) -



# FY 2018 Budget Options

- 1) Walkdown + supporting details
- 2) What in the already @ play in FY17
- 3) Discretionary events category
- 4) FY18 FTE project. @ 14,610, vs. FY18 @ 14,395 → US State work in FTEs?
- 5) Why 016 needed budget up 10 mil from IE approp? Due to transfer?
- 6) How to says Aug 20 about needed levels... So 40 total?
- 7) FY18-7 available 10 approps?
- 8) Under 15 extra \$100M. for FY18?
- 9) FY18 → Under one base 10-14 non-time critical actions in SF

Briefing for Holly Greaves  
February 17, 2017



## FY 2018 Options

- This briefing presents budget options for the EPA that align with the administration's stated objectives
- Areas of focus
  - Reduce regulatory burden
  - Anticipate change in priorities
  - Reduce discretionary programs and address duplication
  - Eliminating Congressional Additions
  - Evaluate overall staffing levels
  - Maximize effective use of existing fees
  - Limited set of new requirements





## Current Budget

- The FY 2016 enacted budget totals \$8,139,887,000
- The total full time equivalent (FTE) ceiling in the FY 2016 enacted budget is 15,031.3
  - Reimbursable positions vary – annually approximately 400
- The budget and FTE are provided in 9 separate appropriations and support 13 national programs
- The options presented here for FY 2018 total \$7.9B and 14,400 FTE



# FY 2016 Enacted Budget by Appropriation

Appropriation	2016 Enacted Pay	2016 Enacted Non-Pay	2016 Enacted Total	2016 Enacted FTE
Environmental Programs & Mgmt	\$1,460,344	\$1,174,935	\$2,635,279	9,759.7
Science and Technology	\$323,137	\$411,511	\$734,648	2,198.2
State and Tribal Assistance Programs		\$3,518,161	\$3,518,161	
Buildings and Facilities		\$42,317	\$42,317	
Leaking Underground Storage Tanks	\$7,737	\$84,204	\$91,941	54.1
Oil Spill Response	\$14,198	\$4,011	\$18,209	98.3
eManifest	\$1,053	\$2,621	\$3,674	7.9
Inspector General	\$39,037	\$2,452	\$41,489	268.0
Hazardous Substance Superfund	\$401,802	\$692,367	\$1,094,169	2,645.1
Rescission		(\$40,000)	(\$40,000)	
<b>TOTAL</b>	<b>\$2,247,308</b>	<b>\$5,892,579</b>	<b>\$8,139,887</b>	<b>15,031.3</b>

\*Dollars in 1000s





# FY 2016 Enacted Budget by National Program Manager

NPM	Pay	Non- Pay	Total Enacted	FTE
OARM	\$159,800	\$476,873	\$636,673	1,079.3
OAR	\$254,788	\$523,333	\$778,121	1,748.6
OCSP	\$151,902	\$79,313	\$231,215	973.4
OECA	\$445,417	\$99,535	\$544,952	2,880.2
OEI	\$65,637	\$114,104	\$179,741	441.8
OITA	\$23,702	\$71,559	\$95,261	158.8
OLEM	\$342,785	\$894,306	\$1,237,091	2,315.5
ORD	\$250,056	\$263,266	\$513,322	1,703.9
OA	\$90,349	\$23,312	\$113,661	592.3
OCFO	\$71,146	\$34,855	\$106,001	521.8
OGC	\$64,141	\$2,664	\$66,805	375.8
OIG	\$46,934	\$4,494	\$51,428	318.1
OW	\$280,651	\$3,344,965	\$3,625,616	1,921.8
Rescission		(\$40,000)	(\$40,000)	
<b>TOTAL</b>	<b>\$2,247,308</b>	<b>\$5,892,579</b>	<b>\$8,139,887</b>	<b>15,031.3</b>

\*Dollars in 1000s



# Current FTE by RPIO

*Reserve Program  
Organizational unit*

RPIO	FY 2016		FY 2017		Onboard FTE		FTE	
	Enacted FTE	Approved FTE	Enacted FTE	Approved FTE	Snapshot (1/21/17)	Projections as of 2/1/17	Snapshot (1/21/17)	Projections as of 2/1/17
OA	401.4	401.4	401.4	401.4	368.8	371.9	3.1	3.1
OAR	1,143.8	1,143.8	1,143.8	1,143.8	1,126.6	1,117.1	11.0	11.0
OARM	721.1	721.1	721.1	721.1	679.2	677.8	29.4	29.4
OC-O	306.1	306.1	306.1	306.1	284.1	282.8	125.7	125.7
OCSPP	827.8	896.8	896.8	896.8	889.0	888.9	1.0	1.0
OECA	761.8	761.8	761.8	761.8	719.7	720.6	108.7	108.7
OEI	279.8	250.8	250.8	250.8	243.8	241.5	0.0	0.0
OGC	217.8	222.8	222.8	222.8	217.6	215.3	0.0	0.0
OIG	318.1	318.1	318.1	318.1	259.7	258.5	0.2	0.2
OITA	80.3	80.3	80.3	80.3	77.3	78.0	0.6	0.6
OLEM	500.7	500.7	500.7	500.7	495.9	494.6	1.6	1.6
ORD	1,703.9	1,703.9	1,703.9	1,703.9	1,686.9	1,683.0	0.1	0.1
OW	578.4	582.4	582.4	582.4	588.1	582.3	2.4	2.4
R01	589.3	589.3	589.3	589.3	548.7	548.3	16.0	16.0
R02	782.4	782.4	782.4	782.4	767.9	767.6	10.9	10.9
R03	781.6	781.6	781.6	781.6	797.7	788.8	6.9	6.9
R04	943.6	943.6	943.6	943.6	904.5	900.5	16.8	16.8
R05	1,076.9	1,076.9	1,076.9	1,076.9	1,053.5	1,050.4	3.0	3.0
R06	755.0	756.0	756.0	756.0	725.3	729.0	11.6	11.6
R07	496.6	496.6	496.6	496.6	502.3	500.5	26.3	26.3
R08	527.5	527.5	527.5	527.5	496.9	496.2	11.6	11.6
R09	708.3	711.8	711.8	711.8	706.1	704.5	11.6	11.6
R10	529.1	529.1	529.1	529.1	517.3	512.1	387.2	387.2
<b>TOTAL:</b>	<b>15,031.3</b>	<b>15,084.8</b>	<b>15,084.8</b>	<b>15,084.8</b>	<b>14,656.8</b>	<b>14,610.3</b>		

Appropriated accounts only, excludes reimbursable, Sandy fund  
PP09 Onboard FTE and FTE Projections data pulled 2/1/17

Source: BAS and CBOR

FY 2017 approved FTE include:

- 40 FTE for OCSPP and 5 FTE for OGC to Support TSCA (Shifts to fee funded in FY 2018)
- 1 FTE for R06 and 3.5 FTE for R09 for Navajo Abandoned Mines — special account
- 5 FTE for WIFIA (1 was an internal transfer)





# Budget Walk-down

(dollars in thousands)

FY 2018 Walk-down		
	Amount	FTE
FY 2016 Enacted	\$8,139,887	15,031.3
Rescission	\$40,000	0.0
Pay & FTE Adjustments <i>COLA for 2 yrs</i>	<i>is via</i> \$147,692	3.5
Rent and Other Fixed Costs	\$15,025	0.0
Reduce Regulatory Burden <i>2.7%</i>	(A) (\$25,800)	(48.4)
Reduction for Lower Priorities <i>115</i>	(\$217,266)	(390.9)
Reductions to Discretionary Programs	(\$259,733)	(205.4)
Reductions to Congressional Adds	(\$48,100)	0.0
TSCA <i>not yet assume 15M in fees</i>	\$30,000	0.0
WIFIA <i>not in the base</i>	\$20,000	5.0
IT System Modernization	\$9,000	0.0
<b>Total</b>	<b>\$7,850,705</b>	<b>14,395.1</b>

assumes COLA for FY18

Sum of (A) = 550



## Overall Staffing Approach

- Proposed options include 4% FTE reduction *may require WDO*
- Main focus was to find areas where workload changes would reduce staffing needs *may require re-alignment of staff*
  - Regulatory burden reduction and priority changes
- Considered attrition levels to ensure practical approach
  - Attrition runs approximate 4-5% annually





# Reduce Regulatory Burden

Research: Clean air/clim.

## • Reduce National Ambient Air Quality Standards (NAAQS)

- Propose extending review cycle from 5 years to 10 years <sup>this would need to be a legislative proposal</sup>
- Reduces burden on states and local communities and moderates State Implementation Plan (SIP) efforts
- Reducing requirements for modeling and analytic work by \$3.3M and 15 FTE <sup>helps you determine whether you are at attainment. Can we devolve efforts to states? EPA exact as a reviewer. EPA has technical expertise.</sup>
- Reduce climate change research and integrated science assessments by \$19.5M and 30 FTE.

↳ UNC research, other extensive human research

EPA should only override the states if the state provides evidence that they are clearly erroneous.

4 operational ozone states we are currently operating 100 states need time to implement



Every city has a stormwater system & overflow system.

There should be a barrier. If it rains too much the overflow goes to the stormwater system. Instead of having up require - when storms can never reach - priority

## Reduce Regulatory Burden

- Relax requirements for municipal stormwater for small communities "MS4" cutting a road 2 for 1

- Estimated savings of \$2.5M and 10 FTE

- Propose statutory changes to LUST

- Reduce LUST inspection cycle to 6 years used to be every 3 years

Could require inspection upon transfer to ownership in addition to 6 yrs.

- Lower LUST Prevention requirements by 10%

- Reduces LUST funding by \$2.5M





## Reflecting Potential Lower Priorities

- Reduce climate related funding *around half of the climate grant*
  - Reduce resources associated with Clean Power Plan by \$19M and 102 FTE
  - Reduce Energy Star, GHG registry and Global Methane by \$22.2M and 14.7 FTE
- Reduce enforcement *preference will likely in state agencies*
  - Reduce civil enforcement activities by \$15M and 100 FTE
  - Reduce superfund enforcement *settlement agreements* by \$10.5M and 70 FTE
  - Reduce compliance monitoring by \$3.6M and 16.5 FTE*doesn't include armed agents, but already below headcount. Could be approx 10 FTE*



## Reflecting Potential Lower Priorities

- Reduce international funding:
  - Reduce the U.S. contributions to the U.N. Multilateral Fund, Commission for Environmental Cooperation and support to international partners (U.S. currently provides 22% of the funds) by \$11.7M and 5 FTE
- Reduce state and tribal grants and EPA resources for Brownfield projects by \$31.6M and 11 FTE
- Reduce research for safe and sustainable water resources by \$1.5M and 10 FTE due to slow pace of water rule promulgation and revision





## Reduce Effort in Mature Programs

- Reduce resources for 10-14 non-time critical removal actions by \$12M *Non critical, remedial actions wishing more govt resources*
- Reduce technical assistance to regulated entities related to reducing storm-water runoff and sustainable infrastructure management - \$10M and 40 FTE *related to Superfund*  
*Some what duplicative as a result of WFA*
- Reduce Endocrine Disruptor Program
  - Increased use of Computational Toxicology methods to replace traditional animal based testing and reduce the cost of chemical screening by \$2.5M *EPA has proposed reductions for years*
- Reduce the Acid Rain Program by \$1M and 7 FTE
- Reduce Categorical Grant for Nonpoint source by \$50M and let USDA lead the effort since runoff is primarily created by the agriculture sector *Duplication of USDA. Creates a lot*

\$75.5



# Reduce Effort in Mature Programs

- Reduce ORD technical support to federal, state and local <sup>in support of</sup> <sub>hopefully no new clean energy funding</sub> partners on land remediation by 16.2M and 41 FTE
- Reduce waste management <sup>"ACEA"</sup> by \$2.3M and 16 FTE
- Eliminate waste minimization and recycling program <sub>true disch. program</sub>
  - Reduces appropriated funding by \$8.8M and 51 FTE
- Eliminate recreational water quality monitoring - \$9.5M - <sub>reduced calygn. support from coastal Big vacuolog</sub>
- Eliminate radon grants by \$8M - <sub>Calygn</sub>

\$44.8





## Maximize Effective Use of Fees

- Reduce appropriated funding for Pesticide Enforcement grants by \$7M and propose ability to use FIFRA fees *currently we can't use them - need a legislative prop.*
- Propose OCSPP Pesticides Program move more FTE to the FIFRA fees and reduce appropriated funding by \$7.5M and 50 FTE *just passed house - stakeholders said it wasn't intent*
- Propose ability to use existing motor vehicle fee to support National Vehicle and Fuel Emissions lab in Ann Arbor vehicles
  - Reduce appropriated funding by \$10.7M and 4.7 FTE
  - might be a scoring issue



## Reductions to Discretionary Programs

- Reductions to non-regulatory programs
  - Reduce Diesel Emission Reduction Grant Program by \$50M
  - Reduce the grants for pollution prevention by \$5.3M ✓
- Eliminate Environmental Education - \$8.7M and 11.1 FTE ✓
- Geographic Programs
  - Reduce support to the Chesapeake Bay by \$2.5M and 1 FTE
  - Reduce Great Lakes Restoration by \$100M

companion in DOT  
we can reduce to  
\$20 mil





# Addressing Duplication and Efficiencies

- Eliminate Smart Growth for Brownfields - \$1M and 3.8 FTE  
*- could be duplicative w/ WFA*
- Eliminate the Office of Sustainable Communities - \$6M and 29.5 FTE  
*Office of Administrator, office of policy & planning programs*
- Efficiencies *Sharing & moves to align w/ expected pace*
  - Reduce Building and Facilities funding for the Las Vegas lab construction which is not moving forward - \$3.9M
  - Adjust HQ and regional lab moves and consolidation to align with expected pace - \$2.5M



## Congressional Additions

*Makes people grumpy  
in hearings*

- In the appropriation process Congress adds certain line items the agency did not propose
- Agency does not include these in our request
  - Eliminate Targeted Airshed Grants - \$20M *Calif. & Alaska have Airshed. Two chairs 11/14 Rep.*
  - Eliminate Categorical Grant: Multipurpose Grants - \$21M
  - Eliminate Water Quality Research and Support Grants - \$7.1M
  - Reduce infrastructure assistance to the Mexico Border by \$5M
  - Reduce projects to address drinking water and wastewater needs of Alaskan Native Villages by \$3M
  - Reduce support to Lake Champlain by \$3M

*Vermont Committee Chair/Planning member*





# Toxic Substances Control Act

- Implementing TSCA 21 requires additional fee funded FTE and resources for OCSPP, ORD and OGC to fulfill new responsibilities to reduce the public's risks from exposure to harmful chemicals.
- The law creates significant new requirements such as:

- A mandated minimum number of risk assessments to be underway annually and completed (OCSPP)
- New requirements for the review of Confidential Business Information (CBI) reviews (OGC)
- Providing scientific support and tools to identify and assess potential health risks posed by chemicals under evaluation (ORD)

Should be able to collect more fees in 2019. Fees are capped @ 25%.

	Amount	FTE
OCSPP	\$26.3	75.5
ORD	\$3.3	2
OGC	\$2.0	12.5
Total	\$31.6	90.0

(dollars in millions)



# Water Infrastructure Financing Innovation Act

*could swap out w/ spec funding*

- Increase of \$20 million and 5 FTE above the FY 2016 enacted level for WIFIA program is needed to continue funding level provided by the FY 2017 Continuing Resolution
  - Program has broad support and is expected to effectively leverage resources for infrastructure work
- In addition, specialized staff are needed in this program so it is important to maintain staffing levels in FY 2017





# IT Infrastructure Considerations

- EPA has been working to modernize IT systems to increase effectiveness and gain efficiencies and comply with DATA Act and FITARA and other OMB guidance and policy
- While we have made progress, there is critical work to do in FY 2018
  - To comply with DATA Act existing systems must be adapted (\$1.4 M)
  - \$4 M is needed to complete modernization of the grant and contract systems
  - \$630 K is needed for our share of E-Gov Acquisition Management Environment
  - \$3 M is needed to sustain existing infrastructure improvements and security needs

(dollars in millions)

Program Project	FY 2018 Current Services
DATA ACT	\$1.40
PeoplePlus	\$0.20
Grants and Contracts Systems	\$4.00
IT Infrastructure	\$3.00
<b>Total</b>	<b>\$8.60</b>

Need to add e-Discovery - 7 mill



# Appendix



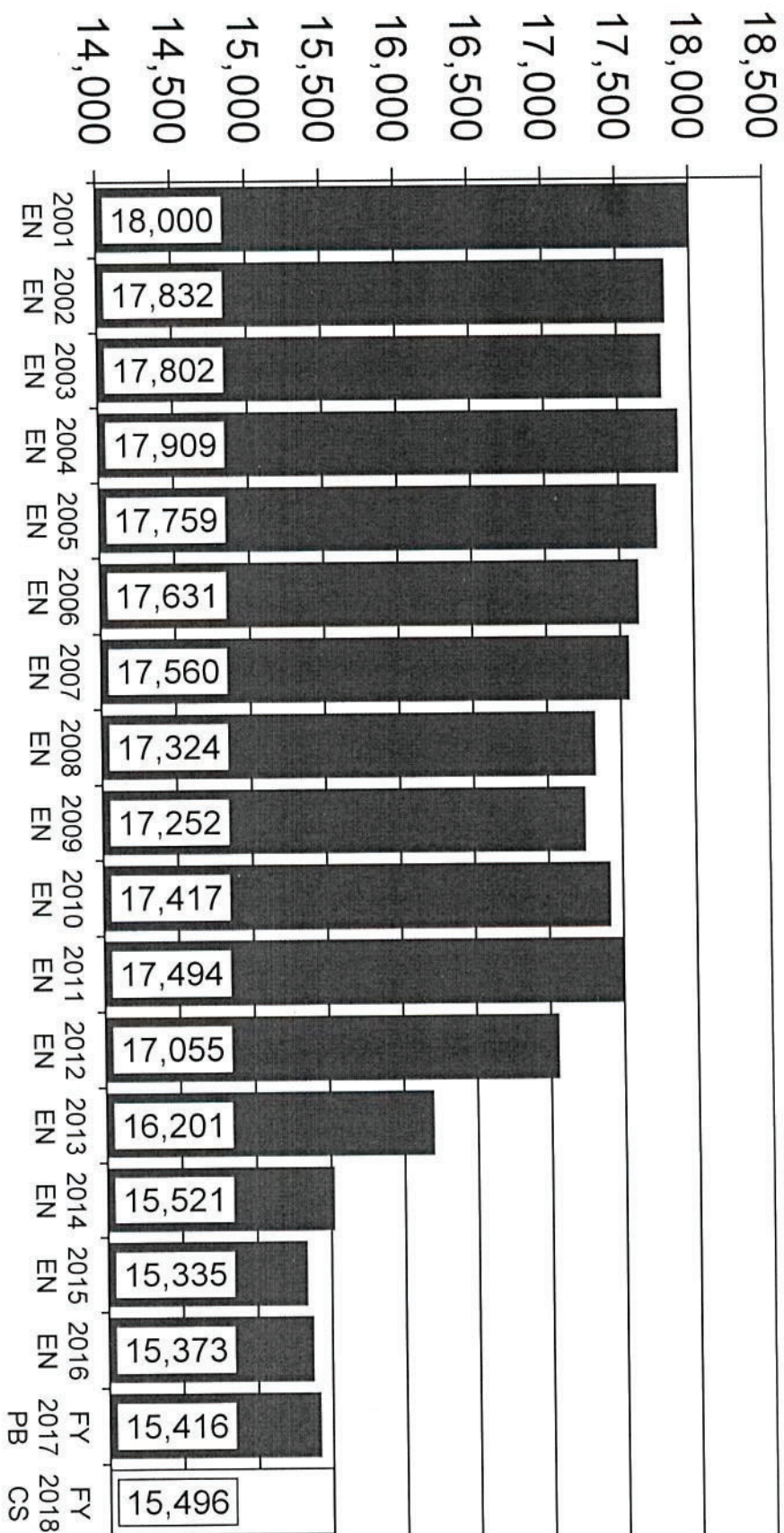


## Additional Options for Reduction

- Completion of Lead-based Paint Hazard Survey of Public and Commercial Buildings can reduce by \$156K
- Reduce central planning, budgeting and finance by \$462K to account for completion of the payroll cost allocation system modernization
- Reduced cost associated with closure of the Environmental Chemistry Lab - \$521K
- Refocus enforcement resources - \$337K and 2 FTE
- Completion of the finalized amendments to the Accidental Release Prevention Requirements for Risk Management Programs(RMP) under CAA, Section 112(r)(7) to modernize EPA's RMP regulations – 500K
- Reduce information security by \$3M based on completion of several projects



# FTE Levels 2001 – 2018



Notes: Includes reimbursable FTE.



**America First Budget**  
***Keeps promise to put Americans Security First***

- First, it meets the president's promise to restore our neglected military.
  - Readiness and lethality increased, prioritizes defeating ISIS with one of the largest defense increases in history (\$54B).
  - Reverses Defense sequestration.
  - Shifts dollars from foreign aid to putting Americans first.
- Next, it keeps President Trump's word to prioritize border security, veterans' health care, and school choice.
  - Adds \$1.5 billion for immigration detention, transport and removal, allowing for an additional 17,000 illegal aliens to be detained each day.
  - 7% increase for VA Medical care, largest "second bite" increase ever for VA Medical Care.
  - \$1.4 Billion to public and private school choice.
- It also takes on the long overdue task of *draining the swamp*.
  - Eliminates hundreds of redundant, overlapping, or ineffective programs as we pay for defense priorities w/ targeted reductions.
  - We looked at a program's effectiveness, not just its intentions.
  - With every American's share of national debt at \$60K, we cannot afford to waste one penny on programs that have been around a long time but can't show effectiveness, aren't a core mission of federal gov.

**Important Details on Process:**

- The RMOs have been working to develop justifications that you can use to defend particularly sensitive cuts to the Hill and the press. Please have your agency budget offices reach out to discuss those justifications with the RMOs. We recommend that you work closely with your budget shops when responding to Hill and media inquiries about specific funding reductions.
- Please forward all budget blueprint media inquiries to Coalter Baker at [john.c.baker@omb.eop.gov](mailto:john.c.baker@omb.eop.gov)
- Agencies will be given a copy of their Blueprint chapters by COB Wednesday from their RMO Contacts.
- As most of you know, this blueprint includes discretionary topline and funding highlights for major agencies only. Most smaller agencies will receive their "passback" from OMB next week, and details about your agencies will be featured in the full budget that will be released in mid May.





## Notice to Employees in Targeted Positions

July 13, 2017

### **MEMORANDUM**

**SUBJECT:** Voluntary Separation Incentive Payment and Voluntary Early Retirement Authority Opportunities

**FROM:** Wendy Cleland-Hamnett /s/  
Acting Assistant Administrator, OCSPP

**TO:** Employees in Targeted Positions in OCSPP

The U.S. Office of Personnel Management and the U.S. Office of Management and Budget have approved our request to offer Voluntary Separation Incentive Payment (buy-out) and Voluntary Early Retirement Authority (early-out) opportunities. As our organization explores various workforce planning efforts, we want to take advantage of these and other flexibilities and tools to help ensure that our workforce possesses the mix of skills most appropriate for carrying out our mission. This decision was not made lightly; we value our dedicated employees and appreciate the work you perform on behalf of the American people.

In accordance with statute and regulations, we identified the specific grades, occupational series, and geographic locations designated for VERA and VSIP for OPM and OMB, and have received their approval for the categories identified in Attachment A. The maximum number of VSIPs offered will be 50. If the number of applications received exceeds the maximum number of VSIPs we can offer under one of the categories identified in Attachment A, approvals will be based first on service computation date for leave and then on entry on duty date (total EPA years of service). If the SCD and EOD dates are the same for two eligible employees, then the offer will be granted to the employee who submitted his or her application first. Attachment A also shows the maximum number of VSIP offers that will be approved by organization, grade, occupational series, and geographic location, as applicable.

You can find basic eligibility criteria for VSIPs and VERAs in Attachment B. The Research Triangle Park HR Shared Service Center can provide you with more information regarding your benefits and retirement, and can assist you with obtaining a retirement annuity estimate. Attachment C provides a list of your RTP HR Shared Service Center contacts.

If you decide to apply, you should do so early in the application period, which opens on July 13, 2017 and closes at 11:59 p.m. Eastern standard time on July 26, 2017. Applications submitted between 12:00 a.m. EST, July 13, 2017 and 11:59 p.m. EST, July 26, 2017, will be accepted on a first come, first served basis if the number of applications does not exceed the maximum VERA/VSIP offers available.

Applications will only be accepted during this period using the [online application system](#). Specific instructions on how and when to apply are in Attachment D. If your application is approved and you decide to proceed with VERA and/or VSIP, you must depart during the separation window which ends on September 2, 2017.

The decision to take advantage of a VERA or VSIP is **entirely voluntary**. This is a very personal decision. No one will be pressured to submit an application, and no one is required to accept an offer. You are urged to carefully consider the information provided and your personal situation prior to making a decision.

We will continue to provide anyone considering this decision with useful information and expert contacts. We plan to use all flexibilities and tools available to help OCSPP most effectively support both individual employees as well as the agency's strategic mission.

Thank you.

Attachments

## OCSPP APPROVED EMPLOYEE CATEGORIES FOR VERA AND VSIP

*With the exception of occupational series 0303, OCSPP's package includes those eligible for VERA and retirement only, not those only eligible for VSIP. No resignations will be accepted other than series 0303.*

Office	Occupational Series		Grade	Location	No. of positions in targeted Series	Maximum VSIP/VERA to be offered
Immediate Office of the Assistant Administrator						
Admin. Series Other than GS-15 Non-Sup.	0301	Miscellaneous Administration and Program Series (org. code M0000000)	GS-13 (2)	Washington, DC	2	2
GS-15 Non-Supervisory*					6	3
	0501	Financial Admin. and Program	GS-15 (1)	Washington, DC	1	
	0905	General Attorney	GS-15 (1)	Washington, DC	1	
	1035	Public Affairs	GS-15 (1)	Washington, DC	1	
	0343	Management and Program Analysis	GS-15 (1)	Washington, DC	1	
	0301	Miscellaneous Administration and Program Series	GS-15 (2)	Washington, DC	2	
		Subtotal - IO			8	5
Office of Science Coordination and Policy						
GS-15 Non-Supervisory					3	3
	1320	Chemistry	GS-15 (1)	Washington, DC	1	1
	0343	Management and Program Analysis	GS-15 (1)	Washington, DC	1	1
	0415	Toxicologist	GS-15 (1)	Washington, DC	1	1
		Subtotal – OSCP			3	3

Office of Pesticide Programs						
<i>Admin. Series Other than GS-15 Non-Sup.</i>	0303	Misc. Clerk and Assistant	GS-07 (1); GS-08 (1)	Arlington, VA (2)	2	2
<i>GS-15 Non- Supervisory Admin. Series</i>					12	8
	0028	Environmental Protection Specialist	GS-15 (6)	Arlington, VA (5); Chicago, IL (1)	6	
	0301	Misc. Administration and Program Series	GS-15 (2)	Arlington, VA (2)	2	
	0343	Management and Program Analysis	GS-15 (3)	Arlington, VA (3)	3	
	1001	General Arts and Information	GS-15 (1)	Arlington, VA (1)	1	
<i>GS-15 Non- Supervisory Science Series</i>					13	7
	0401	General Natural Resources Mgmt.	GS-15 (9)	Arlington, VA (8); Ft. Meade, MD (1)	9	
	0601	General Health Science	GS-15 (1)	Arlington, VA (1)	1	
	1301	General Physical Science	GS-15 (1)	Arlington, VA (1)	1	
	1320	Chemistry	GS-15 (2)	Arlington, VA (2)	2	
<i>GS-15 Supervisory (HED/PRD only)</i>					3	0
	0343	Management and Program Analysis	GS-15 (0)	Arlington, VA	2	0
	0401	General Natural Resources Mgmt.	GS-15 (0)	Arlington, VA	1	0
		<b>Subtotal - OPP</b>			<b>30</b>	<b>17</b>



Office of Pollution Prevention and Toxics						
<i>Admin. Series Other than GS-15 Non-Sup.</i>	0301	Misc. Administration and Program Series	GS-13 (4)	Washington, DC	4	2
	0303	Misc. Clerk and Assistant	GS-10 (1)	Washington, DC	1	1
<i>GS-15 Non- Supervisory</i>					22	22
	0028	Environmental Protection Specialist	GS-15 (12)	Washington, DC	12	12
	0301	Miscellaneous Administration and Program Series	GS-15 (4)	Washington, DC	4	4
	0415	Toxicology Series	GS-15 (2)	Washington, DC	2	2
	0819	Environmental Engineering Series	GS-15 (1)	Washington, DC	1	1
	0905	General Attorney Series	GS-15 (1)	Washington, DC	1	1
	1320	Chemistry Series	GS-15 (1)	Washington, DC	1	1
	0110	Economist	GS-15 (1)	Washington, DC	1	1
		<b>Subtotal – OPPT</b>			<b>27</b>	<b>25</b>
<b><u>OCSPP Total</u></b>					<b><u>68</u></b>	<b><u>50</u></b>

*Note: \*(1) Information Technology Management position designated as an IT Security Officer is not included in the targeted list. It is located in the IO of the Assistant Administrator.*

## VOLUNTARY SEPARATION INCENTIVE PAYMENT (VSIP) AND VOLUNTARY EARLY RETIREMENT AUTHORITY (VERA) ELIGIBILITY

**NOTE: This chart is intended to provide information about general eligibility. If you have any questions about whether or not you meet any of the criteria, you should apply, so the Human Resources Shared Service Center can make an official determination.**

<b>You ARE eligible for a VSIP if you:</b>	<b>You ARE eligible for VERA if you:</b>	<b>You are NOT eligible for VSIP if you:</b>
are serving under an appointment without time limitation	meet the minimum age and service requirements: <ul style="list-style-type: none"> <li>- at least age 50 with at least 20 years of credible federal service OR</li> <li>- any age with at least 25 years of creditable federal service</li> </ul>	are a reemployed annuitant
have been currently employed by the federal government for a continuous period of at least three years	have been continuously employed by the Agency for at least 31 days before the date your region or program office initially requested OPM approval for VERA	have a disability such that you are or would be eligible for disability retirement
are serving in a position covered by your region or program office's VSIP offer	are serving under an appointment without time limitation	have received a decision notice of involuntary separation for misconduct or unacceptable performance
apply for and receive approval for a VSIP from the Agency	have not received a final removal decision based on misconduct or unacceptable performance	have previously received a VSIP from the federal government
separate by September 2, 2017	are serving in a position covered by your region or program office's VERA offer	performed service during the 36-month period preceding the date of separation for which a student loan repayment benefit was paid or is to be paid
	retire under the VERA option during your program or region's VERA window	performed service during the 24-month period preceding the date of separation for which a recruitment or relocation bonus was paid or is to be paid
		performed service during the 12-month period preceding the date of separation for which a retention bonus was paid or is to be paid

## **POINTS OF CONTACT**

If you have questions about retirement and benefits or general questions about VERA and VSIP, please contact the RTP HR Shared Service Center as shown below. You may also contact the RTP Shared Service Center if you have questions about FedHR Navigator (the on-line retirement annuity tool) or wish to have a retirement estimate prepared.

Email Penny Thompson, HR Retirement Specialist, with “VERA/VSIP Related Request” in your email subject line. Penny can be reached at [thompson.penny@epa.gov](mailto:thompson.penny@epa.gov) or 919/541-1526. An alternate email and phone number are [esb-ssc-rtp@epa.gov](mailto:esb-ssc-rtp@epa.gov) or 919/541-2100.

If you have specific questions about OCSPP’s VERA or VSIP package, please contact Kate Graf at [graf.kate@epa.gov](mailto:graf.kate@epa.gov) or 202/564-0193.

## HOW AND WHEN TO APPLY FOR VERA AND VSIP

<b>Before You Apply</b>	<p>Read the memorandum from your region or program office announcing the VERA and VSIP. You should ensure that you are in a targeted position by reviewing Attachment A. <b>If you are interested in the VERA and/or VSIP but are unsure about your eligibility, you should apply during the application window, so the RTP Human Resources Shared Service Center can make an official determination.</b></p> <hr/>
<b>Where to Find Additional Information</b>	<p>The Office of Personnel Management has information on its website regarding <a href="#">VERAs</a> and <a href="#">VSIPs</a>. You may also view additional information on the agency's VERA/VSIP <a href="#">intranet</a> site. If you need additional information, please call or email the RTP HR Shared Service Center points of contact identified in Attachment C.</p> <hr/>
<b>Estimating Retirement Pay</b>	<p>There are two methods for you to obtain an annuity estimate. The <a href="#">FedHR Navigator</a> allows you to estimate your own basic annuity. A webinar with instructions on using the FedHR Navigator can be found at <a href="http://intranet.epa.gov/policy/buyouts/pdfs/FHR-Navigator-Webinar.pdf">http://intranet.epa.gov/policy/buyouts/pdfs/FHR-Navigator-Webinar.pdf</a>. Or, you may contact the RTP HR Shared Service Center identified in Attachment C to request an annuity estimate.</p> <hr/>
<b>Application Window</b>	<p>The application window (the time during which you must apply for a VERA or VSIP) opens July 13, 2017 and closes at 11:59 pm Eastern standard time on July 26, 2017. Applications submitted between 12:00 a.m. EST, July 13, 2017 and 11:59 p.m. EST, July 26, 2017, will be accepted on a first come, first service basis. Applications submitted after 11:59 p.m. EST, July 26, 2017, will not be considered.</p> <hr/>
<b>Application Process</b>	<p><b>Step 1:</b> From your EPA computer, login to the online application at <a href="http://drupal.rtp.epa.gov/veravsip/">http://drupal.rtp.epa.gov/veravsip/</a></p> <p><b>Step 2:</b> Complete your application and press submit when you have fully completed all of the blocks. If you need assistance completing this form and/or you require an alternative application method, please contact your RTP HR Shared Service Center contact identified in Attachment C for assistance in submitting an application.</p> <p><b>You should apply early in the application window in case you experience any problems or issues in applying.</b></p> <p><b>Step 3:</b> You will receive an email notification from the VERA/VSIP online system when your application has been received.</p> <hr/>
<b>After You Apply</b>	<p>The RTP HR Shared Service Center will review your application and notify you of your eligibility. You should receive a notification no later than August 2, 2017. If you are eligible and your application is approved, the RTP HR Shared Service Center will ask you to complete the necessary paperwork to process your separation.</p>



July 12, 2017

**MEMORANDUM**

**SUBJECT:** Voluntary Early Retirement Authority and Voluntary Separation Incentive Payment Opportunities

**FROM:** Wendy Cleland-Hamnett  
Acting Assistant Administrator, OCSPP

**TO:** All OCSPP Employees

This is a follow-up to Acting Deputy Administrator Mike Flynn's messages last month to all agency employees regarding Voluntary Early Retirement Authority and Voluntary Separation Incentive Payment opportunities. I am pleased to let you know that the U.S. Office of Personnel Management and the U.S. Office of Management and Budget have approved our request to offer VERA/VSIP opportunities to a limited number of EPA employees.

An employee whose position is in the VERA/VSIP pool will be receiving a separate letter from me. The letter will provide specifics on the application process; please be aware the application period opens on July 13, 2017 and closes at 11:59 p.m. Eastern standard time on July 26, 2017. Employees must depart the agency by September 2, 2017.

The decision to take advantage of a VERA or VSIP is entirely voluntary. This is a very personal decision and no one is required to accept an offer. Employees are urged to carefully consider the information provided and their personal situation prior to deciding. Please contact Kate Graf, 202/564-0193 or [graf.kate@epa.gov](mailto:graf.kate@epa.gov), with any questions you may have about our VERA/VSIP.

## Past VERA/VSIP Themes

Reduce and reshape administrative support workforce.

Reduce and restructure attorney advisor positions to consolidate positions in SF, improve staff-to-supervisor ratios, and to meet authorized staffing levels.

Reduce grants and project offer positions

Reduce and reshape GS-14/15 supervisory to increase supervisor-to-staff ratios.

Reduce and reshape GS-14/15 non-supervisory positions by eliminating the position or backfilling at a lower grade.

Reshape the workforce by eliminating obsolete positions and consolidating skills

Reduce and rebalance the current top-heavy GS-13 to -15 grade structure so that the agency can recruit at lower grade and career ladder levels

## New Themes

Restructure Supervisory Environmental Protection Specialist positions to Supervisory Environmental Engineers/Scientists.

Reduce and restructure the work assigned to employees in specific occupational series (or functional area) to eliminate and/or restructure positions to align with current operational requirements.

## Region 9 Request to Fill Post VERA/VSIP Positions

Requested Action: Recruitment Reassignment Detail Temporary Promotion (circle one)

Position Title, Series, Grade: Environmental. Engineer/Physical and Life Scientist (OSC), GS-819/1301/401-11/12/13

Position Organization-Division, Branch, Office and Duty Station: Superfund Division, Emergency Response, Planning and Prevention Branch, Emergency Response Section, San Francisco & Signal Hill, CA

Position Supervisor: Harry Allen

### NAMED ACTIONS

Proposed Effective Date: \_\_\_\_\_ Proposed Length (Details and Temp Promo only) \_\_\_\_\_

Vice (Name, Title, Series, Grade, Organization and Duty Station): \_\_\_\_\_

Proposed hire name for Reassignment, Detail or Temp Promotion: \_\_\_\_\_

### RECRUIT ACTIONS\*

Recruit Action area of consideration (Internal R9 or External EPA-Wide): Internal MP R9 and Delegated Examining

How many selections will be made (provide Vice for each): 5 positions

Vice (Name, Title, Series, Grade, Organization and Duty Station): Will Duncan, Life Scientist, 401-13, San Francisco; Randy Nattis, Environmental Engineer, 819-13, San Francisco; Martin Powell, Environmental Scientist, 1301-13, Signal Hill, plus 2 additional positions. Note, Weden position is in SF was abolished.

### NAMED AND RECRUIT ACTIONS

How was this position vacated: VERA/VSIP [ ] Non-VERA/VSIP [ X ]

When was the position vacated-Month/Year: February, 2015, November, 2016 and pending vacancies plus new FTE

If this position was vacated by V/V how has the position been restructured? Restructured Criteria: Supervisory to Non-Supervisory, different series, same series but lower grade and FPL, same series-same grade (or FPL) but position has significant change in duties which is a combination of new duties (25% or more) and new qualifications/specialized experience.

The Emergency Response Section lost one GS13 On Scene Coordinator position to V/V in 2017. The loss of 3 additional OSCs was not anticipated at the time the V/V was accepted. Following the subsequent loss of 3 OSCs plus the V/V OSC (4 total positions) the section will be at 9 or 6 FTE below the post V/V goal of 15 OSCs. Since the reduction target was 1 we require a delta of 5 new OSCs to reach the reduced goal of 15 FTE.

Position has some change in duties as described by new specialized experience. Recent natural disaster incidents in the Region (the northern and southern California fires of 2017/2018) have demonstrated that standardized position descriptions require a new area of expertise. Emergency response to large-scale environmental disasters requires that some OSCs be proficient in geospatial information systems and data management. This expertise will allow OSCs to interpret and manage large data sets and significant amounts of geospatial information, for decision-making during large disasters (both natural and non-natural). New OSCs should have some experience in this area of expertise.

### Information below this line to be completed by SRO/ARA

Approved by SRO/ARA: \_\_\_\_\_

Date: \_\_\_\_\_



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY - REGION II

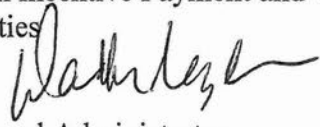
290 BROADWAY

NEW YORK, NEW YORK 10007-1866

**JUL 13 2017**

**MEMORANDUM**

**SUBJECT:** Voluntary Separation Incentive Payment and Voluntary Early Retirement Authority Opportunities

**FROM:** Walter Mugdan   
Acting Deputy Regional Administrator

**TO:** Employees in Targeted Positions in Region 2

The U.S. Office of Personnel Management and the U.S. Office of Management and Budget have approved our request to offer Voluntary Separation Incentive Payment (buy-out) and Voluntary Early Retirement Authority (early-out) opportunities. As our organization explores various workforce planning efforts, we want to take advantage of these and other flexibilities and tools to help ensure that our workforce possesses the mix of skills most appropriate for carrying out our mission. This decision was not made lightly; we value our dedicated employees and appreciate the work you perform on behalf of the American people.

In accordance with statute and regulations, we identified for OPM and OMB the specific grades, occupational series, and geographic locations designated for VERA and VSIP, and have received their approval for the categories identified in Attachment A. The maximum number of VSIPs offered in Region 2 will be 30. If the number of applications received exceeds the maximum number of VSIPs we can offer under one of the categories identified in Attachment A, approvals will be based first on service computation date for leave and then on entry on duty date (total EPA years of service). If the SCD and EOD dates are the same for two eligible employees, then the offer will be granted to the employee who submitted his or her application first. Attachment A also shows the maximum number of VSIP offers that will be approved by organization, grade, occupational series, and geographic location, as applicable.

You can find basic eligibility criteria for VSIPs and VERAs in Attachment B. The Research Triangle Park Human Resources Shared Service Center (SSC) can provide you with more information regarding your benefits and retirement, and can assist you with obtaining a retirement annuity estimate. Attachment C provides a list of your servicing SSC contacts.

If you decide to apply, you should do so early in the application period, which opens on July 13, 2017 and closes at 11:59 p.m. Eastern standard time on July 26, 2017. Applications submitted between 12:00 a.m. EST, July 13, 2017 and 11:59 p.m. EST, July 26, 2017, will be accepted on a



first come, first served basis if the number of applications does not exceed the maximum VERA/VSIP offers available.

Applications will only be accepted during this period using the [online application system](#). Specific instructions on how and when to apply are in Attachment D. If your application is approved and you decide to proceed with VERA and/or VSIP, you must depart during the separation window which ends on September 2, 2017.

The decision to take advantage of a VERA or VSIP is **entirely voluntary**. This is a very personal decision. No one will be pressured to submit an application, and no one is required to accept an offer. You are urged to carefully consider the information provided and your personal situation prior to making a decision.

We will continue to provide anyone considering this decision with useful information and expert contacts. We plan to use all flexibilities and tools available to help Region 2 most effectively support both individual employees as well as the agency's strategic mission.

Thank you.

Attachments

**APPROVED EMPLOYEE CATEGORIES FOR VERA AND VSIP**

**New York City Duty Station:**

**Office of Regional Counsel**

**GS-15 attorneys, excluding supervisors and team leaders -- a maximum of two VSIPs will be offered to individuals in this group)**

**GS-12 paralegal specialists -- maximum of five offers**

**The GS-9 legal instruments examiner**

**Clean Air and Sustainability Division**

**The GS-14 environmental protection specialist in the Air Planning Section of the Air Programs Branch**

**GS-13s across occupational series in the Air Programs Branch -- maximum of one offer for this branch**

**GS-13s across occupational series in the Sustainability and Multimedia Programs Branch -- maximum of one offer for this branch**

**The GS-7 secretary in the Radiation and Indoor Air Branch**

**The GS-4 office automation clerk in the Hazardous Waste Programs Branch**

**Clean Water Division**

**The GS-13 aquatic biologist in the NPDES Section of the Clean Water Regulatory Branch**

**The GS-13 environmental engineer specializing in construction grants in the State Revolving Fund Section of the Drinking Water and Municipal Infrastructure Branch**

**Division of Enforcement and Compliance Assistance**

**GS-12s and 13s across series in the Groundwater Compliance Section of the Water Compliance Branch; this includes only those employees within the section whose work focuses on the underground injection control (UIC) program -- maximum of four offers**

**continued**  
**Public Affairs Division**

**The GS-13 congressional and intergovernmental relations specialist in the Intergovernmental and Community Affairs Branch**

**Cross-Divisional – NYC Positions Only**

**GS-6 office assistants with a New York, NY duty station – maximum of seven offers**  
**The individuals within this group are assigned to the following divisions: CASD, DECA, ERRD, OPM, and ORC.**

**Edison, New Jersey Duty Station:**

**Division of Environmental Science and Assessment**

**GS-13s across occupational series in the Hazardous Waste Support Branch – maximum of one offer for this branch**

**GS-13s across occupational series in the Laboratory Branch – maximum of one offer for this branch**

**GS-13s across occupational series in the Monitoring and Assessment Branch – maximum of one offer for this branch**

## VOLUNTARY SEPARATION INCENTIVE PAYMENT (VSIP) AND VOLUNTARY EARLY RETIREMENT AUTHORITY (VERA) ELIGIBILITY

**NOTE: This chart is intended to provide information about general eligibility. If you have any questions about whether or not you meet any of the criteria, you should apply, so the Human Resources Shared Service Center can make an official determination.**

<b>You ARE eligible for a VSIP if you:</b>	<b>You ARE eligible for VERA if you:</b>	<b>You are NOT eligible for VSIP if you:</b>
are serving under an appointment without time limitation	meet the minimum age and service requirements: <ul style="list-style-type: none"> <li>- at least age 50 with at least 20 years of credible federal service OR</li> <li>- any age with at least 25 years of creditable federal service</li> </ul>	are a reemployed annuitant
have been currently employed by the federal government for a continuous period of at least three years	have been continuously employed by the Agency for at least 31 days before the date your region or program office initially requested OPM approval for VERA	have a disability such that you are or would be eligible for disability retirement
are serving in a position covered by your region or program office's VSIP offer	are serving under an appointment without time limitation	have received a decision notice of involuntary separation for misconduct or unacceptable performance
apply for and receive approval for a VSIP from the Agency	have not received a final removal decision based on misconduct or unacceptable performance	have previously received a VSIP from the federal government
separate by September 2, 2017	are serving in a position covered by your region or program office's VERA offer	performed service during the 36-month period preceding the date of separation for which a student loan repayment benefit was paid or is to be paid
	retire under the VERA option during your program or region's VERA window	performed service during the 24-month period preceding the date of separation for which a recruitment or relocation bonus was paid or is to be paid
		performed service during the 12-month period preceding the date of separation for which a retention bonus was paid or is to be paid





## POINTS OF CONTACT

If you have questions about retirement and benefits or general questions about VERA and VSIP, please contact the Research Triangle Park Human Resources Shared Service Center as shown below. You may also contact the RTP HR SSC if you have questions about FedHR Navigator (the on-line retirement annuity tool) or wish to have a retirement estimate prepared.

Point of Contact Information:

**Caterina “Cat” Gillikin -- HR Retirement Specialist**

**e-mail:** [gillikin.caterina@epa.gov](mailto:gillikin.caterina@epa.gov)

**phone:** (919) 541-0673

alternate e-mail: [esb-ssc-rtp@epa.gov](mailto:esb-ssc-rtp@epa.gov)

phone: (919) 541-2100

The subject line for your e-mails should be “VERA/VSIP Related Request.”

If you have specific questions about Region 2’s VERA/VSIP package, please contact Barbara Pastalove or Robert Rubel of Region 2’s Human Resources Branch by e-mail or phone. Barbara’s phone extension is 7-4102; Robert’s is 7-4166.



## HOW AND WHEN TO APPLY FOR VERA AND VSIP

<b>Before You Apply</b>	<p>Read the memorandum from your region or program office announcing the VERA and VSIP. You should ensure that you are in a targeted position by reviewing Attachment A. <b>If you are interested in the VERA and/or VSIP but are unsure about your eligibility, you should apply during the application window, so the Research Triangle Park Human Resources Shared Service Center can make an official determination.</b></p>
<b>Where to Find Additional Information</b>	<p>The Office of Personnel Management has information on its website regarding <a href="#">VERAs</a> and <a href="#">VSIPs</a>. You may also view additional information on the agency's VERA/VSIP <a href="#">intranet</a> site. If you need additional information, please call or email the Research Triangle Park Human Resources Shared Service Center points of contact identified in Attachment C.</p>
<b>Estimating Retirement Pay</b>	<p>There are two methods for you to obtain an annuity estimate. The <a href="#">FedHR Navigator</a> allows you to estimate your own basic annuity. A webinar with instructions on using the FedHR Navigator can be found at <a href="http://intranet.epa.gov/policy/buyouts/pdfs/FHR-Navigator-Webinar.pdf">http://intranet.epa.gov/policy/buyouts/pdfs/FHR-Navigator-Webinar.pdf</a>. Or, you may contact the human resources shared service center identified in Attachment C to request an annuity estimate.</p>
<b>Application Window</b>	<p>The application window (the time during which you must apply for a VERA or VSIP) opens July 13, 2017 and closes at 11:59 pm Eastern standard time on July 26, 2017. Applications submitted between 12:00 a.m. EST, July 13, 2017 and 11:59 p.m. EST, July 26, 2017, will be accepted on a first come, first service basis. Applications submitted after 11:59 p.m. EST, July 26, 2017, will not be considered.</p>
<b>Application Process</b>	<p><b>Step 1:</b> From your EPA computer, login to the online application at <a href="http://drupal.rtp.epa.gov/veravsip">http://drupal.rtp.epa.gov/veravsip</a></p> <p><b>Step 2:</b> Complete your application and press submit when you have fully completed all of the blocks. If you need assistance completing this form and/or you require an alternative application method, please contact your human resources shared service center identified in Attachment C for assistance in submitting an application.</p> <p><b>You should apply early in the application window in case you experience any problems or issues in applying.</b></p> <p><b>Step 3:</b> You will receive an email notification from the VERA/VSIP online system when your application has been received.</p>
<b>After You Apply</b>	<p>The Research Triangle Park Human Resources Shared Service Center will review your application and notify you of your eligibility. You should receive a notification no later than August 2, 2017. If you are eligible and your application is approved, the Research Triangle Park Human Resources Shared Service Center will ask you to complete the necessary paperwork to process your separation.</p>





## Maximum Number of Offers

GS-15 – 2 positions in ORC

GS-14 – 1 positions in CASD/APB ((b)(6))

GS-13s – 10 to 12 positions:

1 in CASD/APB,	interdisc
1 in CASD/SMPB,	interdisc
1 in CWD/CWRB ((b)(6)),	aquatic biologist
1 in CWD/DWMIB ((b)(6)),	env eng – construction grants
2-4 (most likely 3) in DECA/WCB,	interdisc -- UIC
3 in DESA (1 per branch),	interdisc
1 in PAD/ICAB ((b)(6))	congressional & intergovernmental relations spec

GS-12 – 5-7 positions:

0-2 (most likely 1) in DECA/WCB (could be FT, PT 0.8 FTE, or PT 0.4 FTE),	
3 in ORC/NJSB, and	paralegals
2 in ORC/NYSB	paralegals

GS-9 – 1 position:

1 in ORC/IO ((b)(6))	legal instruments examiner
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GS-7 – 1 position:

1 in CASD/RIAB	branch secretary
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GS-6 -- 7 offers:

1 in CASD/HWPB,	office assistants
1 in DECA/RCB,	
1 in DECA/WCB,	
2 in ERRD/NJRB,	
1 in OPM/FMB, and	
1 in ORC/NJSB	

GS-4 – 1 in CASD/HWPB

office automation clerk  
(0.6 FTE employee)

**Total: 30 offers**

Theme #2 – Consolidate or Reduce Administrative or Support Functions

Theme #3 – Restructure or reduce highly-graded supervisory and non-supervisory positions.

Theme #6 – Consolidate and streamline functions/activities/reduce number of programs



Targeted Position Pools  
(Draft, Pending OPM Approval of V/V Package and RTP Confirmation of Pools)

Office of Regional Counsel

**GS-15 attorneys, excluding supervisors and team leaders (14 incumbents; max two offers):**  
**(b)(6)**

**GS-12 paralegal specialists (five incumbents; max five offers):** **(b)(6)**  
**(b)(6)**

**GS-9 legal instruments examiner (one incumbent/offer):** **(b)(6)**

Clean Air and Sustainability Division

**GS-14 EPS is APB/APS (one incumbent/offer):** **(b)(6)**

**GS-13s across series in APB (18 incumbents; max one offer):** **(b)(6)**

**GS-13s across series in SMPB (14 incumbents; max one offer):** **(b)(6)**

**GS-7 secretary in CASD/RIAB (one incumbent/offer):** **(b)(6)**

**GS-4 office automation clerk in CASD/HWPB (one incumbent/offer):** **(b)(6)**

Clean Water Division

**GS-13 aquatic biologist in CWRB/NS (one incumbent/offer):** **(b)(6)**

**GS-13 environmental engineer specializing in construction grants in DWMIB/SRF**  
**(one incumbent/offer):** **(b)(6)**



Division of Enforcement and Compliance Assistance

**GS-12s and 13s across series in DECA/WCB/GCS (seven incumbents; max four offers):**

**(b)(6)**

Division of Environmental Science and Assessment

**GS-13s across series in HWSB (ten incumbents; max one offer):** **(b)(6)**

**GS-13s across series in LB (nine incumbents; max one offer):** **(b)(6)**

**GS-13s across series in MAB (14 incumbents; max one offer):** **(b)(6)**

Public Affairs Division

**GS-13 congressional and intergovernmental relations specialist in ICAB  
(one incumbent/offer):** **(b)(6)**

Cross-Divisional – NYC Positions Only

**GS-6 office assistants (seven incumbents/max seven offers):** **(b)(6)**

Targeted Position Pools  
(Draft, Pending OPM Approval of V/V Package and RTP Confirmation of Pools)

Office of Regional Counsel

GS-15 attorneys, excluding supervisors and team leaders  
14 employees in pool; maximum of two offers

GS-12 paralegal specialists  
five employees in pool; maximum of five offers

GS-9 legal instruments examiner  
one employee in pool

Clean Air and Sustainability Division

GS-14 environmental protection specialist in APB/APS  
one employee in pool

GS-13s across occupational series in APB  
18 employees in pool; maximum of one offer

GS-13s across series in SMPB  
14 employees in pool; maximum of one offer

GS-7 secretary in RIAB  
one employee in pool

GS-4 office automation clerk in HWPB  
one employee in pool

Clean Water Division

GS-13 aquatic biologist in CWRB/NS  
one employee in pool

GS-13 environmental engineer specializing in construction grants in DWMIB/SRF  
one employee in pool

Division of Enforcement and Compliance Assistance

GS-12s and 13s across series in DECA/WCB/GCS whose work focuses on the Uuderground injection control (UIC) program

seven employees in pool; maximum of four offers

Division of Environmental Science and Assessment

GS-13s across series in HWSB

ten employees in pool; maximum of one offer

GS-13s across series in LB

nine employees in pool; maximum of one offer

GS-13s across series in MAB

14 employees in pool; maximum of one offer

Public Affairs Division

GS-13 congressional and intergovernmental relations specialist in ICAB  
one employee in pool

Cross-Divisional – NYC Positions Only

GS-6 office assistants working at 290 Broadway

seven employees in pool; maximum of seven offers

## Region 2's VERA/VSIP Business Case Narrative

Region 2 proposes to extend a maximum of 30 VERA/VSIP offers, up to 27 to employees with a New York, NY (NYC) duty station and up to three to employees with an Edison, NJ duty station. These fall into three of the six major themes identified by the agency.

Consolidate and streamline functions/activities/reduce number of programs: One offer will be extended to a GS-819-13 in CWD/DWMIB/SRFS who specializes in construction grants, as that program is being phased out across the agency. One offer will be extended to a GS-401-13 aquatic biologist in CWD/CWRB/NS who specializes in CWA 301(h), 403(c), and 316(a&b) as much of that work has migrated to CEPD, situated in Puerto Rico. Four offers will be extended to the group of seven GS-12s and 13s, in multiple series and with multiple titles, in DECA/WCB whose work focuses on the Underground Injection Control program. That program has achieved efficiencies by extending permit terms to ten years, effectively targeting inspections, and developing expedited penalty actions. The group of seven UIC employees are identified by name in the comments column of the targeted positions template. The positions described in this paragraph all have a duty station of NYC. To the extent that offers are accepted, the positions will be restructured to support functions/activities within CWD and DECA other than construction grants, CWA 301(h)/403(c)/316(a&b), or UIC. This will entail a far greater than 25% change in responsibilities and may also involve changes in series and full-performance levels.

Restructure or reduce highly-graded supervisory or non-supervisory positions: One offer will be extended to the sole GS-028-14 in CASD/APB. One offer per branch will be extended to the GS-13s across occupational series in CASD/APB, CASD/SMPB, DESA/HWSB, DESA/Lab, and DESA/MAB. A majority of the positions in these branches are at the GS-13 level; we seek to establish a more balanced grade/experience distribution. The grade-controlling responsibilities of those who separate will be distributed among other GS-13s in the respective branches. At such point as external hiring becomes feasible, we will use the vacated FTEs to recruit at the entry level for full-performance level GS-12 positions. Two offers will be extended to the 14 attorneys throughout ORC who hold GS-15 positions titled General Attorney or Attorney-Adviser. The target pool does not include GS-905-15s who are supervisors or team leaders. Subject to ability to hire externally, we will use the vacated FTEs to recruit at or near the entry level for full-performance level GS-14 positions. As with the positions described earlier in this paragraph, this will result in a more balanced and efficient grade distribution as well as the introduction of fresh perspectives. An offer will be extended to the sole GS-301-13 congressional and intergovernmental relations specialist in PAD. If that position is vacated and we are able to utilize the FTE, we intend to hire at the entry level for a full-performance level GS-1035-12 public affairs specialist (the predominant occupation in PAD, and one that affords greater assignment flexibility). The duty station of the CASD, ORC, and PAD positions is NYC. The duty station of the DESA positions is Edison, NJ.

Consolidate or Reduce Administrative or Support Functions: Offers will be extended to all five of the paralegal specialists in ORC; their duty station is NYC. The need for paralegal support has diminished, as there is now more emphasis on document production and file management



and less on legal research. An offer will be extended to ORC's sole GS-963-9 legal instruments examiner, the duty station for which is NYC. That position functions as regional hearing clerk; increased centralization in DC of these responsibilities, coupled with a move to electronic filing, diminishes the need for this position. In CASD/RIAB, an offer will be extended to the GS-318-7 branch secretary, the duty station for which is NYC; the size of the branch has diminished considerably and it no longer requires its own secretary. Offers will be extended to all seven of the GS-303-6 office assistants with a NYC duty station. All of these positions are situated in branches with a GS-318-7 secretary; the administrative support workload is not such that two individuals in a branch are required. This is especially the case now that travel coordination and processing for the region has been centralized in finance. In CASD/HWPB, an offer will be extended to the region's sole GS-326-4 office automation clerk; this is a part-time position with a NYC duty station. The office automation clerk is situated in a branch with a GS-6 office assistant (who is also being extended an offer, as described above) and a GS-7 secretary.

R2 has a total of 783 non-temporary employees. Of these, 219 will, as of 9/30/17, be eligible for early retirement according to a spreadsheet provided to us by the RTP HR Shared Service Center. This number does not include the 200 who are already eligible for regular retirement. Since quite a large portion of R2's workforce (over 28%) is eligible for VERA but not regular retirement, it is important that we offer VERA rather than VSIP alone. Our estimate of the number of employees expected to take early retirement is eight to 10. This assumes that 1) a majority but not all of our slots will be taken; and 2) employees eligible for regular retirement will have service computation dates that have the effect of precluding some offers to less senior VERA-eligible applicants. Region 2 intends for employees in targeted positions to be included in the offer pool regardless of whether they are eligible for VSIP and regular retirement, VERA/VSIP, or VSIP only. The maximum number of VSIPs to be offered is 30; the maximum amount per VSIP is \$25,000.

Twenty-seven of our offers would be for NYC positions; three would be for Edison, NJ positions; none would be for positions in R2's remaining duty stations. ~~One hundred and four~~ **One hundred and five** employees are holding positions targeted to receive offers; 72 in NYC and ~~32~~ **33** in Edison, NJ. We are opting not to identify any positions in the offer pool as "safe."

Absent a VERA/VSIP, we would anticipate no involuntary actions of an adverse nature; some employees would need to be reassigned. We do not anticipate undertaking a reorganization following the implementation of this VERA/VSIP proposal. Therefore, we are providing a single set of organization charts. The theme-based paragraphs above convey a sense of how the region would operate with certain positions eliminated and others backfilled at lower grades, different series, or with a different set of programmatic responsibilities. We anticipate that personnel actions as a result of VERA/VSIP implementation would include a modest number of reassignments, details, and merit promotions. We may also proceed with external hires at the entry level based on feasibility and degree of need.

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R2 has a total of 783 non-temporary employees. Of these, 219 will, as of 9/30/17, be eligible for early retirement according to a spreadsheet provided to us by the RTP HR Shared Service Center. This number does not include the 200 who are already eligible for regular retirement. Since quite a large portion of R2's workforce (over 28%) is eligible for VERA but not regular retirement, it is important that we offer VERA rather than VSIP alone. Our estimate of the number of employees expected to take early retirement is eight to 10. This assumes that 1) a majority but not all of our slots will be taken; and 2) employees eligible for regular retirement will have service computation dates that have the effect of precluding some offers to less senior VERA-eligible applicants. Region 2 intends for employees in targeted positions to be included in the offer pool regardless of whether they are eligible for VSIP and regular retirement, VERA/VSIP, or VSIP only. The maximum number of VSIPs to be offered is 30; the maximum amount per VSIP is \$25,000.

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Absent a VERA/VSIP, we would anticipate no involuntary actions of an adverse nature; some employees would need to be reassigned. We do not anticipate undertaking a reorganization following the implementation of this VERA/VSIP proposal. Therefore, we are providing a single set of organization charts. The theme-based paragraphs above convey a sense of how the region would operate with certain positions eliminated and others backfilled at lower grades, different series, or with a different set of programmatic responsibilities. We anticipate that personnel actions as a result of VERA/VSIP implementation would include a modest number of reassignments, details, and merit promotions. We may also proceed with external hires at the entry level based on feasibility and degree of need.

## Region 9

Appropriation  Theme	Technology		Program and		Programs		Superfund		Storage Tanks		Across		Totals			Comments
	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	Max Offers as % of Office Workforce	
Delayering (increasing supervisor to staff ratio)											4	2	4	2		All Positions Duty Station: San Francisco, CA
																(2) 1 ORA Suprv PAS, GS-1035-14 (EPM 70% SFD 30%)
																(2) 1 EMD Suprv IT Spec, GS-2210-14 (EPS 70% SFD 30%)
Consolidate or reduce administrative or support functions			4	4							1	1	5	5		All Positions Duty Station: San Francisco, CA
																(1) 1 ORA Admin Spec, GS-301-11 (EPM 70% SFD 30%)
																(1) 1 AIR Secretary, GS-318-8 (EPM)
																(3) 3 WTR EP Asst, GS-029-7/8 EPM)
Restructure or reduce highly graded non-supervisory positions			2	2			1	1					3	3		All Positions Duty Station: San Francisco, CA
																(2) 2 ENF EPS, GS-028-14/15 (EPM)
																(1) 1 SFD OSC, GS-114 (SFD)
Restructure to focus on core business functions (administrative support)													0	0		No Positions
Restructure to focus on STEM/programmatic priorities			47	9			56	2			1	1	104	12		All Positions Duty Station: San Francisco, CA
																(11) 1 ENF EPS, GS-028-12 (EPM)
																(17) 4 ENF EPS, GS-028-13 (EPM)
																(10 ) 2 ENF Env Engr, GS-819-13 (EPM)
																(9) 2 ENF Env Sci, GS-1301-13 (EPM)
																(9) 1 SFD OSC, GS-13 (SFD)
																(48) 1 SFD RPM, GS-13 (SFD)
																(1) 1 EMD Env Sci, GS-1301-13 (70% EPM 30% SFD)
Consolidate and streamline functions/activities			52	2									52	2		All Positions Duty Station: San Francisco, CA
																(52) 2 ORC Attorney-Adviser, GS-905-14/15 (EPM)
Total	0	0	105	17	0	0	57	3	0	0	6	4	168	24	3.13%	total Workforce 736



## Region 9

Appropriation  Theme	Technology		Program and		Programs		Superfund		Storage Tanks		Across		Totals			Comments
	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	# of Targeted Positions	# of Max Offers	Max Offers as % of Office Workforce	
Delaying (increasing supervisor to staff ratio)											4	2	4	2		All Positions Duty Station: San Francisco, CA (2) 1 ORA Supv PAS, GS-1035-14 (EPM 70% SFD 30%)
																(2) 1 EMD Supv IT Spec, GS-2210-14 (EPS 70% SFD 30%)
Consolidate or reduce administrative or support functions			3	3							1	1	4	4		All Positions Duty Station: San Francisco, CA (1) 1 ORA Admin Spec, GS-301-11 (EPM 70% SFD 30%) (3) 3 WTR EP Asst, GS-029-7/8 EPM)
Restructure or reduce highly graded non-supervisory positions			2	2			1	1					3	3		All Positions Duty Station: San Francisco, CA (2) 2 ENF EPS, GS-028-14/15 (EPM) (1) 1 SFD OSC, GS-114 (SFD)
Restructure to focus on core business functions (administrative support)													0	0		No Positions
Restructure to focus on STEM/programmatic priorities			47	9			56	2			1	1	104	12		All Positions Duty Station: San Francisco, CA (11) 1 ENF EPS, GS-028-12 (EPM) (17) 4 ENF EPS, GS-028-13 (EPM) (10) 2 ENF Env Engr, GS-819-13 (EPM) (9) 2 ENF Env Sci, GS-1301-13 (EPM) (9) 1 SFD OSC, GS-13 (SFD) (48) 1 SFD RPM, GS-13 (SFD) (1) 1 EMD Env Sci, GS-1301-13 (70% EPM 30% SFD)
Consolidate and streamline functions/activities			52	2									52	2		All Positions Duty Station: San Francisco, CA (52) 2 ORC Attorney-Adviser, GS-905-14/15 (EPM)
Total	0	0	104	16	0	0	57	3	0	0	6	4	167	23	3.13%	total Workforce 736

## Region 9 Request to Fill Post VERA/VSIP Positions

Requested Action: Recruitment Reassignment Detail Temporary Promotion (circle one)

Position Title, Series, Grade: \_\_\_\_\_

Position Organization-Division, Branch, Office and Duty Station: \_\_\_\_\_

Position Supervisor: \_\_\_\_\_

### NAMED ACTIONS

Proposed Effective Date: \_\_\_\_\_ Proposed Length (Details and Temp Promo only) \_\_\_\_\_

Vice (Name, Title, Series, Grade, Organization and Duty Station): \_\_\_\_\_

Proposed hire name for Reassignment, Detail or Temp Promotion: \_\_\_\_\_

### RECRUIT ACTIONS\*

Recruit Action area of consideration (Internal R9 or External EPA-Wide): \_\_\_\_\_

How many selections will be made (provide Vice for each): \_\_\_\_\_

Vice (Name, Title, Series, Grade, Organization and Duty Station): \_\_\_\_\_

### NAMED AND RECRUIT ACTIONS

How was this position vacated: VERA/VSIP [ ] Non-VERA/VSIP [ ]

When was the position vacated-Month/Year: \_\_\_\_\_

If this position was vacated by V/V how has the position been restructured? Restructured Criteria: Supervisory to Non-Supervisory, different series, same series but lower grade and FPL, same series-same grade (or FPL) but position has significant change in duties which is a combination of new duties (25% or more) and new qualifications/specialized experience.

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\_\_\_\_\_  
Division Director/Deputy Signature

\_\_\_\_\_  
Date

### Information below this line to be completed by HRO and SRO/ARA

Date submitted to HRO: \_\_\_\_\_ Under FTE Ceiling: \_\_\_\_\_ Date Submitted to SRO/ARA: \_\_\_\_\_

\*If recruit action is approved, this request may be used to support the EPA-Wide recruitment strategy. Also, additional review will be required for each additional selection if all required information was not provided in the original recruit request.

Approved by SRO/ARA: \_\_\_\_\_

Date: \_\_\_\_\_

## VERA/VSIP Status

OECA submitted a business case and detailed position template supporting offers of early out/buyouts for up to 51 positions across all series/grades/locations except Criminal Investigators and SES/SL positions.

The Agency is currently consolidating the individual office/regional submissions into a proposal for review/approval by OMB and OPM. Approval is expected in late June with employee notification and application processes to occur in July. Employees will be expected to separate from the Agency in early September. The Shared Service Centers will be conducting training webinars in the coming weeks for our employees.

On Tuesday, 6/6, OARM provided guidance indicating that all VERA/VSIP-impacted positions would be frozen, effective immediately. This includes reassignments, temporary promotions and reorganizations. Career ladder promotions are not impacted. Details may be permitted on an exceptional basis for positions deemed to be critical.

OPM's guidance indicates that employees must serve in a position for a minimum time (usually 30 days prior to the date of the agency request) to be eligible. This ensures that buyouts are fairly and transparently implemented.

We are working with the Cincinnati Shared Service Center to identify all current open actions and to determine a path forward for them individually as we await continued clarifying guidance from OARM.

## Workforce Planning Options

OARM considered 2 workforce planning tools: VERA/VSIP and Reduction in Force. Both of these tools require that the agency develop a business case that identifies how the agency will accomplish the reduction. They both require that we identify positions to be eliminated. We looked at an estimated timeline that is aggressive for both processes. From the point that we have clarity of what positions/programs would be targeted/eliminated, a V/V would take a minimum of 4 months and a RIF approximately 10 months. Cost estimates are very difficult without specifics, particularly for a RIF where it is very dependent on an individual's circumstance. However, for comparison purposes, we looked at the cost of reducing by 2600 using both tools (though it is unrealistic to think we can achieve a reduction of 2600 through a V/V because it is voluntary). The V/V estimate is \$98M. The RIF estimate is \$163M. The V/V estimate is calculated on the high end.

Should we sustain a significant FTE reduction, OARM's recommendation is to proceed with a V/V with the goal of staff departures in a window ending January 1, 2018.

### VERA/VSIP

1. 45-60 days
  - Obtain retirement data
  - Estimate costs
  - Develop business case in collaboration with OPM and OMB (i.e., identify positions targeted and explain how agency will meet its mission needs)
  - Notify unions
2. 30-45 days  
OPM approval
3. 30-45 days
  - Notify unions of OPM approved plan
  - Issue employee notifications
4. 60-90 days  
Separations

### VERA/VSIP Costs

	Total Cost
2,600 departures—all buyouts (2,600 employees X \$25K)	\$65M
Annual leave payout* (\$52.99/hr X 240 hrs X 2,600 employees)	\$33.066M
	\$98.066M

\*assumes salary for an average grade EPA employee (GS-13 step 6) using DC locality pay; 240 hours as maximum annual leave payout

### Considerations



- V/V is voluntary
- Critical positions should not be targeted because we will not be able to rehire for them
- Effort should be position-focused, not employee-focused

## **Reduction in Force**

### **I. Reduction in Force - *Action Required and Estimated Timeline***

To be prepared to run a Reduction in Force (RIF) the Agency will need to take the following Preliminary actions. Determining the business case (step 6) would happen concurrently with steps 1-5. Note – these are projected estimates only and some steps will run concurrently.

1. Review, validate and update the last 4 years of Performance Ratings to ensure all ratings are accounted for in the Personnel System. Track down and enter all missing summary ratings. This is required to ensure proper allocation of service credit under OPM RIF Regulations for performance.

*Estimated time to complete – 60-90 days*

2. Establish and code appropriate Competitive Levels for all EPA employees. This is a complicated task that is required in order to run a RIF. All positions will need to be reviewed and HR staff will have to determine the proper codes to apply to each – based on series, grade and similarity of job qualification requirements.

*Estimated time to complete – 120 days – can run concurrent with validation of PARS documents.*

3. Review and Validate Service Computation Dates (SCDs) and E-OPF accuracy. This is necessary to ensure SCDs are accurate and all military buy backs or prior service has been properly credited.

*Estimated time to complete: 180 days – can run concurrent with the above steps.*

4. Review and Validate Veteran's Preference codes for all employees to ensure proper credit for veteran status is applied.

*Estimated time to complete – 180 days – can run concurrent with SCD review.*

5. Determine employee's adjusted RIF SCD and Review all essential data for each employee

*Estimate Time to complete- 60-90 days – can only be done after 1, 3, and 4 are complete.*

6. Identify positions to be abolished in RIF.

*Estimated time – Agency Discretion*

Establish, review and validate retention registers.

*Estimated time to complete: 45-60 days*

7. Proceed with RIF procedures, including notices to employees, bumping and retreating, determine final disposition.

*Estimated Time to Complete – 60 days.*

8. Calculate Severance, Benefits and Separation of employees

*Estimated time to complete – 45 days.*

***Total Timeline to Have Employees off Roles – 300 -330 Days***

## **II. Cost Associated with Running Reduction in Force**

<b>Costs*</b>	
Severance Packages - 20 Weeks Pay ( Can be up to 52 Weeks Pay)**	\$ 143,284,960.00
Leave Payout (150 Hours/Employee)	\$ 20,666,100.00
Administrative Cost (25 Employees for 6 Months)**	\$ 1,791,062.00
<b>Total</b>	<b>\$ 165,742,122.00</b>
<i>*All Cost are based on a GS13 Step 6 in the DC Area</i>	
<i>**The hourly rate includes a 30% increase to account for fringe benefits</i>	

## **III. Additional Factors and Costs**

1. If the Agency wants to change the competitive areas, new competitive areas need to be in place for 90 days before employee notification. For the most part, competitive areas are currently defined as either an NPM or a geographic area.
2. Trickle Down Cost – Employees will have *Bump and Retreat* rights, which will allow more senior employees to potentially displace lower tenured employees at lower grade levels, but lose no pay. This means, in some case you could have a GS-15 performing GS-12 duties, but being compensated at the GS-15 level.
3. In some cases, employees will have appeal rights through MSPB, which could result in years of litigation and potential judicial settlements that will be the responsibility of the Agency.
4. Ultimately, this procedure is not surgical nor strategic. The Agency will have no control on which employees leave the Agency. In most cases the Agency will lose lower graded personnel that are bringing fresh ideas and new perspective to the Agency.

